

**MISSOURI
DEPARTMENT OF REVENUE**



FY2026 PROGRAMS BOOK

Table of Contents

Department of Revenue Information	1
Department of Revenue Overview.....	1
Department of Revenue Strategic Overview	2
Department of Revenue Placemat.....	3
State Auditor's Report	5
Missouri Sunset Act Report.....	6
Taxation Division	7
Program Description - Business Tax Bureau.....	7
Program Description - Collections and Tax Assistance.....	19
Program Description - Field Compliance Bureau	27
Program Description - Income Tax Bureau	40
Program Description - Processing Tax Bureau	54
Program Description - Integrated Tax System.....	61
Motor Vehicle and Driver Licensing Division	70
Program Description - Driver License Bureau	70
Program Description - License Offices Bureau.....	78
Program Description - Motor Vehicle Bureau	83
General Counsel's Office	90
Program Description - Compliance and Investigation Bureau.....	90
Program Description - Criminal Tax Investigations Bureau	95
Program Description - General Counsel's Office	99
Administration Division/Postage.....	108
Program Description - Administration Division	108

Program Description - Internal Audit and Compliance Bureau	114
State Tax Commission	118
STC Overview.....	118
STC State Auditor's Report	119
STC Missouri Sunset Act Report.....	120
Program Description - Legal	121
Program Description - Original Assessment.....	124
Program Description - Local Assistance and Assmnt Maint.....	127
State Lottery Commission	133
Lottery Overview.....	133
Lottery State Auditor's Reports.....	134
Lottery Program Description Form.....	135



The Department of Revenue was established in 1945 by the Missouri Constitution to serve as the central collection agency for all state revenue. The primary duties of the Department are to collect taxes, title and register motor vehicles, and license drivers. The Department of Revenue consists of the following divisions:

The **Taxation Division** administers Missouri's tax laws. It processes and administers forms and reports for the collection of revenue due the state and local taxing jurisdictions. This division has five bureaus: Business Tax, Income Tax, Collections and Taxpayer Assistance, Processing, and Field Compliance.

The **Motor Vehicle and Driver Licensing Division** administers Missouri's laws that relate to titling and registration of motor vehicles, trailers, all-terrain vehicles, manufactured homes, and marine craft; licenses drivers and dealers; and oversees 174 contracted license offices. This division consists of three bureaus: Motor Vehicle, Driver License, and License Offices.

The **General Counsel's Office** ensures the Department's compliance with law and internal policies, advises the director and divisions on legal matters relative to the Department, and represents the Department in courts and administrative tribunals. The office also includes three investigative bureaus: Criminal Tax Investigation, Compliance and Investigation, and Internal Audit and Compliance.

The **Administration Division** provides administrative support to all other areas of the Department. This division includes three bureaus: Human Resources and Total Rewards, Financial Services, and General Services.

The Director's Office is also part of the Administration Division. The Director's Office includes the director, chief operating officer, key administrative staff, the Communications Office, and the Legislative Office.

The Department is committed to delivering focused and efficient results to Missouri citizens and businesses. The Department's "placemat" highlights the themes and initiatives the Department is pursuing to achieve its vision of providing every customer the best experience every time.

Department strategic overview: FY26 Budget

DEPARTMENT:	Revenue
DIRECTOR:	Wayne Wallingford
DEPARTMENT ASPIRATION:	To provide <i>every</i> customer the best experience <i>every</i> time.
HIGHLIGHTS FROM FY23-FY24	<ul style="list-style-type: none"> Taxation Motor Fuel Refunds - The Department worked with our integrated tax system vendor to improve the process of refund issuance for motor fuel highway use. Customers have the option to file their claim electronically or by mailing (or emailing) their claim form to the Department. Unfortunately, only 13% of customers elect to use the electronic method to submit their claims. Each year the Department provides a new excel sheet available on our website for customers to record their receipts leading up to the submission date of July 1st. Currently, we have completed two seasons of refund issuance with an average days to issue refund at 10.5 days, an average refund claim of \$66.00 and a decrease in claims received from 2022 to 2023. License Offices Contract Renewal Process- Developed a streamlined and systematic approach to track and report on license office contract renewals. The Department has 174 contract license offices, in November 2022 there were 70 on extended contracts due to delays and bottlenecks in the procurement process. Currently, there are 38 license offices on extension. General Operations (GO) Report- The G.O. report provides clear guidance and expectations for contractors and their staff. Contractual inadequacies or customer service issues are then used for targeted training for License Office staff to improve performance. Contract offices are expected to score 80% or higher on their quarterly report. Sales and Use Tax Rate Map - The Department contracted with Avalara (vendor) to meet the requirements in 144.637 RSMo., and customers can now locate and download the new rate and boundary database on the Department's website. They can also access the new sales and use tax lookup tool/rate map which was launched in June 2023. Customers can search a specific address and see the jurisdictional boundaries as well as a breakdown of the sales and use tax rates that apply. In 2024, the Department plans to use the tax rates provided by this service to maintain all rates utilized by the Department, replacing the platform currently utilized by Revenue Premier and the Motor Vehicle and License Bureau systems. Contract License Office testing (CLOM)- The Department developed a comprehensive curriculum to provide the necessary skills and knowledge for license office managers. The curriculum includes the following topic areas; Policy and Procedure, Fee Calculation, Completing applications, locating
FY25 PRIORITIES	<ul style="list-style-type: none"> REAL ID - As of August 6, 2024, license offices had processed 2,978,994 REAL ID-compliant transactions since March 25, 2019. Overall, REAL ID transactions have accounted for approximately 40% of all transactions. DOR continues to communicate the new REAL ID deadline of May 7, 2025. Integrated Motor Vehicle and Driver Licensing System - Continue the development of the modernization and integration of the state-of-the-art customer-centric integrated motor vehicle and driver licensing system. The Driver License Services and License Office Management go live date is November 12, 2024. Mobile Unit - The Department received funding in the FY25 budget to establish a mobile unit that would assist in serving Missouri citizens with their vehicle titling, registration or driver license needs when a local license office is closed for an extended period of time. Improve External Partnerships - Annual License Office Meeting - The Motor Vehicle and Driver Licensing Division will host the annual license conference to improve communications between DOR and the contract license offices in September 2024. Tax Practitioner Forum - This meeting will host tax practitioners in September 2024. This year will include overviews of Missouri Tax Credits presented by administering state agencies, an overview of the Pension and Social Security Exemption, and a presentation of the MyTax Portal for Business Tax. Out-of-state Leasing Evaluation - Tax audits have changed over the years from visiting businesses and viewing records at the business location to now receiving accounting records electronically. With technology advancements, the Department will evaluate if out-state physical locations are still a good
FY26 PREVIEW	<ul style="list-style-type: none"> Integrated Motor Vehicle and Driver Licensing System - Implement the motor vehicle portion of the integrated system for processing motor vehicle titles and registrations, trailer and marine processing, and dealer licensing. The vehicle services and business licensing go live date is July 6, 2026. Uninsured Motorist - This program is mandated by Senate Bill 398 and modified in SB1359 to be implemented with the 2026 motor vehicle portion of the integrated motor vehicle and driver licensing system. The Department of Revenue is developing a program to address the roughly 16.8% uninsured motorists who operate motor vehicles on Missouri roadways. Uninsured motorists create an increased risk for both drivers and passengers on the road as well as a financial burden on insured motorists who must absorb the costs of uninsured drivers. Lower Turnover - Reduce turnover and become a top employer in the state.



Missouri Department of Revenue

Version: 07/2024 - Fiscal Year 2025

MISSOURI DEPARTMENT OF
REVENUE

VISION	To provide every customer the best experience every time.				
THEMES	Embed Transformational Purpose Encourage team members to take personal ownership of our vision and understand how they support its delivery.	Focus on Customer Service With every action, demonstrate our passion for serving Missouri's citizens, businesses, and communities.	Organizational Culture Foster a positive, engaging work environment for all team members while ensuring those who deliver at the highest levels and uphold our values are recognized for their efforts	Partnerships Establish partnerships with public and private entities to provide expanded services and resources to Missouri's citizens, businesses, and communities.	IT Roadmap Develop an IT strategy that facilitates continued modernization and improves the overall customer experience
INITIATIVES	Leadership Handbook Continue to develop and implement a formal handbook for leaders within the Department to use as guidance for attendance management, performance counseling, discipline templates, and other personnel tools.	Sales/Use Tax Electronic Filing: Continue reviewing the sales/use tax electronic return filing process to make improvements to increase the customer filing compliance rate from an average of 80% to 85% through customer outreach and efficiencies.	Service Awards: Revamp DOR team member service awards by bringing back service lapel pins and modernize the existing service awards.	Dealer Renewal Workload Balance: Evaluate if changes can be made to the dealer renewal process.	MVDL Integration: Complete Phase 1 Driver License Module implementation encompassing Driver License system infrastructure, equipment deployment, and training of DOR staff and license offices. Capitalize on efficiency gains to streamline work processes.
	Out-of-State Leasing Evaluation: Review the Taxation Field Audit out-of-state leasing cost and develop a plan to transition these offices to remote work.	Taxability Matrix: Develop a tax matrix for businesses to use as a guide when presented with coupons, rebates, cash back, or other promotional discounts.	Training or Job Shadowing Passport: Create a training passport and stamp process where team members can earn stamps for completing select professional development opportunities.	Enhance Data Reporting: Publish the Department General Revenue daily report using Tableau.	Improve County Collector Property Tax Update process: Identify a more efficient process of transferring and uploading county personal property tax information for tax compliance verification.
	Revamp New Team Member Orientation: Review necessary information that new team members need to know and establish a professional development curriculum to ensure team members receive thorough benefit information, are given an opportunity to attend required training, and offer a warm and welcoming first impression of DOR.	Tax Video and Education Material: Work with the Communications Team to create effective videos to better educate New Business and Political Subdivisions.	Team Member of the Month Evaluation: Evaluate the current process and identify if a People's Choice Award would be valuable where co-workers can select a Team Member of the Month in addition to or instead of the Leadership Team's selection.	Revise License Office RFPs: Update the Request for Proposal (RFP) process to include performance measures and General Operations (GO) report.	Utilize Adobe Experience Manager: Develop a Revenue specific environment to allow for Department forms to be posted on the DOR's forms portal and allow for online submission options.
	Taxation Scanning Opportunities: Review Taxation and Administration Record Center paper files to look for additional scanning opportunities.	Mobile Unit: Develop and implement a plan to utilize a mobile unit in locations throughout Missouri where there is a need for citizens to conduct their Motor Vehicle and Driver License transactions.			CTG Rewrite: Evaluate letters in the Correspondence Tracking Generation (CTG) system and determine if other systems will replace the functionality and what correspondence is still required for a possible system rewrite.
	MOA Modernization: Develop a process to better track and maintain Department Memorandum of Agreements (MOAs).	Outbound Educational Correspondence: Evaluate and simplify the process of Outgoing Correspondence (OC) in Revenue Premier.			Migrating Teradata/EDW: Migrate Teradata and the Enterprise Data Warehouse (EDW) from the legacy on-premises location to a Cloud infrastructure.



Missouri Department of Revenue

MISSOURI DEPARTMENT OF
REVENUE

MEASURES	By June 30, 2025, 100% of leaders within the Department will have access to the leadership guidelines via a link on the Intranet.	By June 30, 2025, identify improvements to increase the Sales and Use Tax filing compliance rate to 85% through customer outreach and efficiencies.	By June 30, 2025, begin distributing new service awards.	By June 30, 2025, change the Dealer Renewal schedule to balance the renewal workload between renewal periods.	By November 12, 2024, complete Phase 1 Driver License Module implementation, deploy equipment to license offices, and complete initial training for all license offices and team members.
	By June 30, 2025, end the 3 out-of-state leases and transition staff to 100% remote work.	By June 30, 2025, add a new tax matrix to the website that provides guidance on tax application for sales with coupons, rebates, discounts, cash back, etc.	By June 30, 2025, begin offering professional development stamps for team member training passports.	By June 30, 2025, publish the Department's General Revenue daily report using Tableau.	By June 30, 2025, allow frequent uploads of personal property tax information from political subdivisions.
	By June 30, 2025, offer a thorough and informative New Team Member Orientation program.	By June 30, 2025, begin implementing a new Team Member of the Month and People's Choice award program.	By June 30, 2025, the License Office Request for Proposal process will incorporate performance measures and General Operations reporting.	By June 30, 2025, use Adobe Experience Manager for forms on the DOR's forms portal and offer the capability for online submission.	By June 30, 2025, rewrite or discontinue the Correspondence Tracking Generation system (CTG).
	By June 30, 2025, replace paper retention with scanning and repurpose the Permanent Files space on the first floor of the Truman Building.	By June 30, 2025, begin stationing the MVDL mobile unit at specified Missouri locations to offer motor vehicle and driver license services to our customers.	By June 30, 2025, expand the usage of Simplified Outbound Correspondence generation through Revenue Premier.	By June 30, 2025, move Taradata and the Enterprise Data Warehouse (EDW) from the legacy on-premises location to the Cloud infrastructure.	
	By June 30, 2025, move all active MOA's to a shared file location that includes the ability to track expiration and renewal dates.				

AUDIT REPORTS

Program or Division Name	Type of Report	Date Issued	Website
Department of Revenue			
Gaming Proceeds for Education Fund	State Auditor	March, 2024	http://auditor.mo.gov
DOA Statewide Audits Summary Letter	State Auditor	September, 2023	http://auditor.mo.gov
Department of Revenue Sales and Use Tax	State Auditor	August, 2023	http://auditor.mo.gov
Gaming Proceeds for Education Fund	State Auditor	March, 2023	http://auditor.mo.gov
DOA Statewide Audits Summary Letter	State Auditor	August, 2022	http://auditor.mo.gov
Department of Revenue Sales and Use Tax	State Auditor	June, 2022	http://auditor.mo.gov
Gaming Proceeds for Education Fund	State Auditor	January, 2022	http://auditor.mo.gov
Department of Revenue Sales and Use Tax	State Auditor	September, 2021	http://auditor.mo.gov
DOA Statewide Audits Summary Letter	State Auditor	August, 2021	http://auditor.mo.gov
Department of Revenue Sales and Use Tax	State Auditor	August, 2020	http://auditor.mo.gov

Programs Subject to Missouri Sunset Act

Program	Statutes Establishing	Sunset Date	Review Status
Sporting Event Ticket & Contribution Tax Credit programs	Sections 67.3000 & 67.3005 RSMo	8/28/2025	As of the filing of these documents, they are under review by Oversight
Champion for Children Tax Credit program	Section 135.341. RSMo	12/31/2025	As of the filing of these documents, this is under review by Oversight
Diaper Bank Tax Credit program - DBC	Section 135.621, RSMo	12/31/2024	Oversight did sunset review- sunset not extended will expire in December 2024
School Children Health and Hunger Tax Credit - SCH	Section 135.1125, RSMo	8/28/2024	Sunset
Pediatric Cancer (Sahara Law) Research Fund	Section 143.1026, RSMo	12/31/2024	Oversight did sunset review- sunset not extended will expire in December 2024
First-Time Home Buyer Deduction	Section 143.1150, RSMo	12/31/2024	Oversight did sunset review- sunset not extended will expire in December 2024
Long-Term Dignity Savings Account	Section 143.1160, RSMo	12/31/2024	Oversight did sunset review- sunset not extended will expire in December 2024
Food Pantry Tax Credit	Section 135.647, RSMo	12/31/2026	
Peace Officer Surviving Spouse Tax Credit	Section 135.090, RSMo	12/31/2027	
Ethanol Retailers Tax Credit	Section 135.772, RSMo	12/31/2028	
Biodiesel Retailers Tax Credit	Section 135.775, RSMo	12/31/2028	
Biodiesel Producers Tax Credit	Section 135.778, RSMo	12/31/2028	
Self-Employed Tax Credit	Section 143.1190, RSMo	12/31/2028	

PROGRAM DESCRIPTION

Department of Revenue

AB Section(s): 4.010

Program Name: Business Tax Bureau

Program is found in the following core budget(s): Taxation

1a. What strategic priority does this program address?

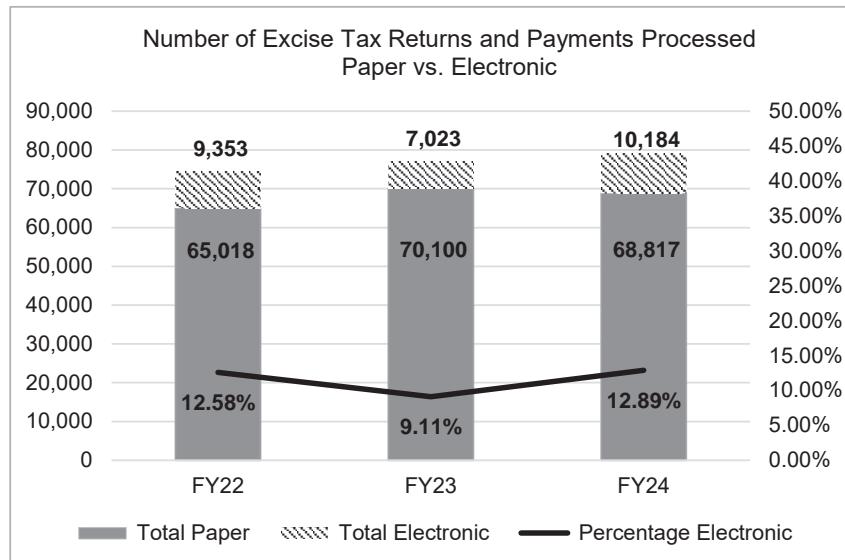
Embed Transformational Purpose; Focus on Service Culture; Partnerships; IT Roadmap

1b. What does this program do?

The Business Tax Bureau collects excise taxes, reviews and issues sales/use tax refunds, responds to sales/use tax and employer withholding tax correspondence, and distributes locally imposed sales/use taxes to local jurisdictions to provide every customer the best experience every time.

2a. Provide an activity measure(s) for the program.

i. Excise Tax - Volume of Returns and Payments



Excise Tax processes returns and payments for the following tax types: motor fuel, cigarette and other tobacco products, and financial institutions.

Excise Tax also processes all county fee payments. The Department continues looking for ways to increase the number of electronically filed returns and payments. There was an increase of 3.78 percent in the number of returns and payments received electronically in FY24 compared to FY23.

PROGRAM DESCRIPTION

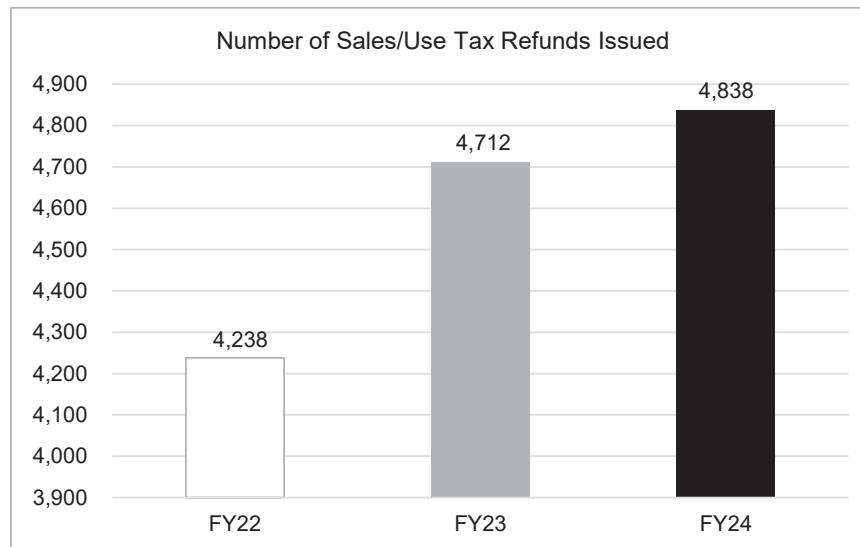
Department of Revenue

AB Section(s): 4.010

Program Name: Business Tax Bureau

Program is found in the following core budget(s): Taxation

ii. Sales/Use Tax Refunds - Volume of Refunds Issued



Unlike income tax refunds, sales/use tax overpayments are not issued directly from a return. Sales/use tax refunds must be submitted to the Department via a refund request form. A refund request may consist of one or multiple filing periods. Customers may apply for a sales/use refund for filing periods with payments within ten years from the request date. Each refund request is closely reviewed to ensure the appropriate tax was paid on Missouri sales before a refund is issued.

PROGRAM DESCRIPTION

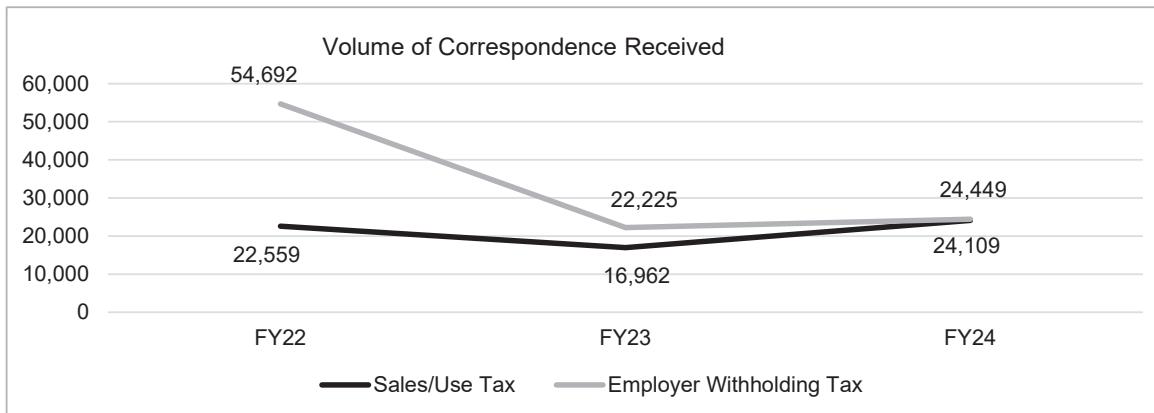
Department of Revenue

AB Section(s): 4.010

Program Name: Business Tax Bureau

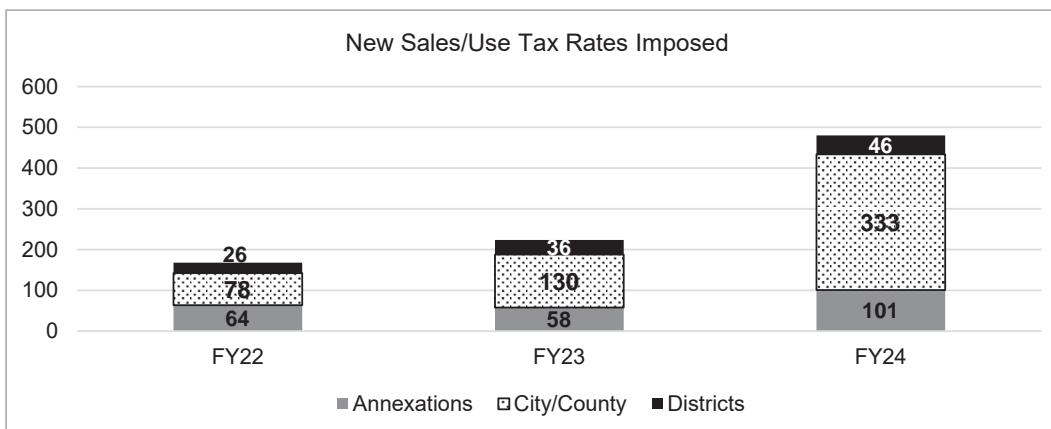
Program is found in the following core budget(s): Taxation

iii. Correspondence - Volume of Correspondence Received



In FY23, the Department stopped sending out non-filer notices and began evaluating the existing non-filer process, which resulted in a significant portion of incoming correspondence. By refining the previous non-filer process, the impact to customers and staff was limited, through the reduction of unnecessary notices. In FY24, we began sending non-filer notices again for Sales Tax, resulting in an increase for incoming correspondence.

iv. Local Tax - New Sales/Use Taxes Imposed by Cities, Counties and Districts



New sales/use tax rates are imposed each quarter based on ballots passed by cities, counties, and districts. During FY24, the Department saw a significant increase in cities and counties imposing new taxes. Article XIV of the Missouri Constitution gave cities and counties the option to impose an additional up to 3 percent tax on the retail sale of marijuana for adult use at dispensaries within the state. In FY24, 181 cities and 84 counties opted to impose this tax.

PROGRAM DESCRIPTION

Department of Revenue

AB Section(s): 4.010

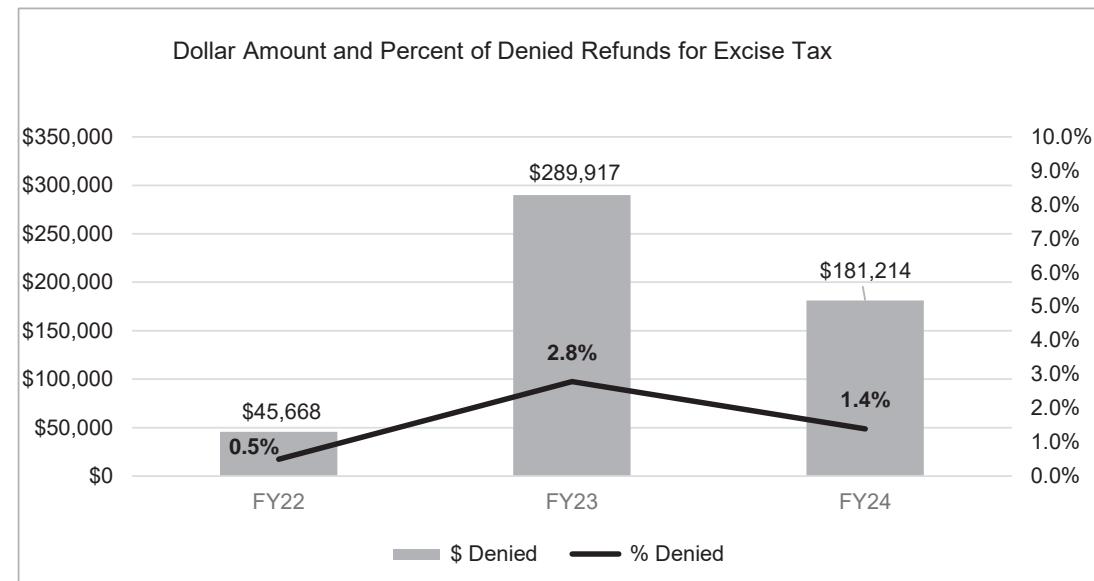
Program Name: Business Tax Bureau

Program is found in the following core budget(s): Taxation

2b. Provide a measure(s) of the program's quality.

i. Excise Tax - Denied Refund Dollar Amount

Motor fuel highway and non-highway refund requests can be denied for various reasons, including: out-of-date refund requests, no Missouri fuel tax was paid, duplicate claims submitted, vehicle over the allowable weight limit, or the fuel use is not exempt from Missouri tax. The decrease in denied refunds in FY24 compared to FY23 is due to less errors in the highway refund claims submitted.



PROGRAM DESCRIPTION

Department of Revenue

AB Section(s): 4.010

Program Name: Business Tax Bureau

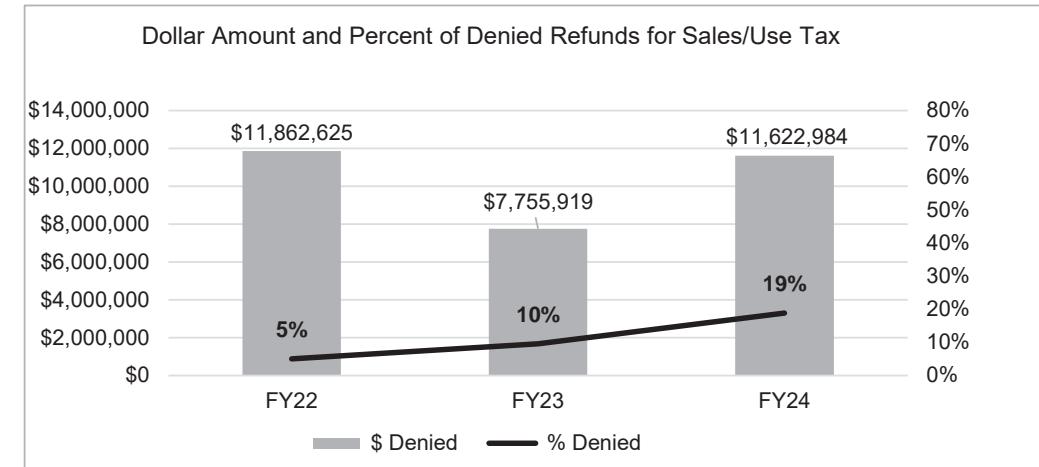
Program is found in the following core budget(s): Taxation

ii. Sales/Use Tax Refunds - Denied Refund Dollar Amount

When a refund request is received, it is reviewed to ensure the correct amount of tax was paid on Missouri sales. If it is determined the sales were taxable or tax wasn't paid, the refund request is denied or reduced.

We continually work with customers and tax practitioners to ensure sufficient information is provided to deliver quality service.

The increase in the percentage of denied refunds from FY24 compared to FY23 is due to the denial of a few large refund claims with a combined total of \$6.2 million.



PROGRAM DESCRIPTION

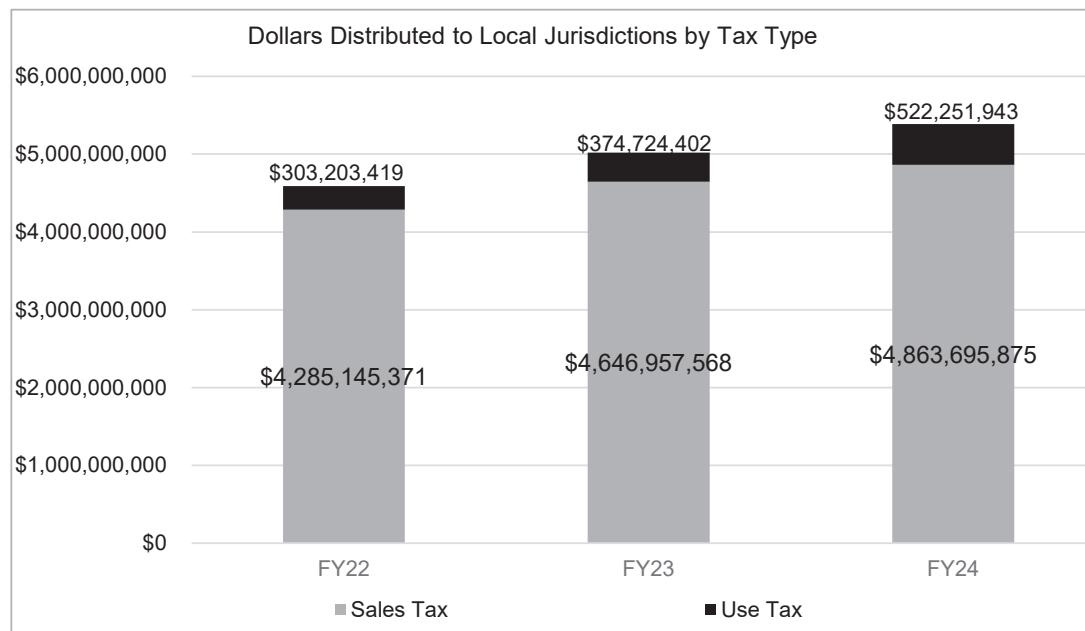
Department of Revenue

AB Section(s): 4.010

Program Name: Business Tax Bureau

Program is found in the following core budget(s): Taxation

iv. Local Tax - Dollars Distributed



The Department collects and distributes state and local sales and use tax from in-state and out-of-state businesses. The distribution is completed by the 10th day following the month in which the sales and use tax returns are processed. FY24 was the first full year for remote sellers and marketplace facilitators to collect and remit use tax, resulting in an increased amount of use tax distributed. FY24 also saw an increased amount of sales tax distributed due to the legalization of adult use marijuana and increase in cost of goods sold from inflation.

PROGRAM DESCRIPTION

Department of Revenue

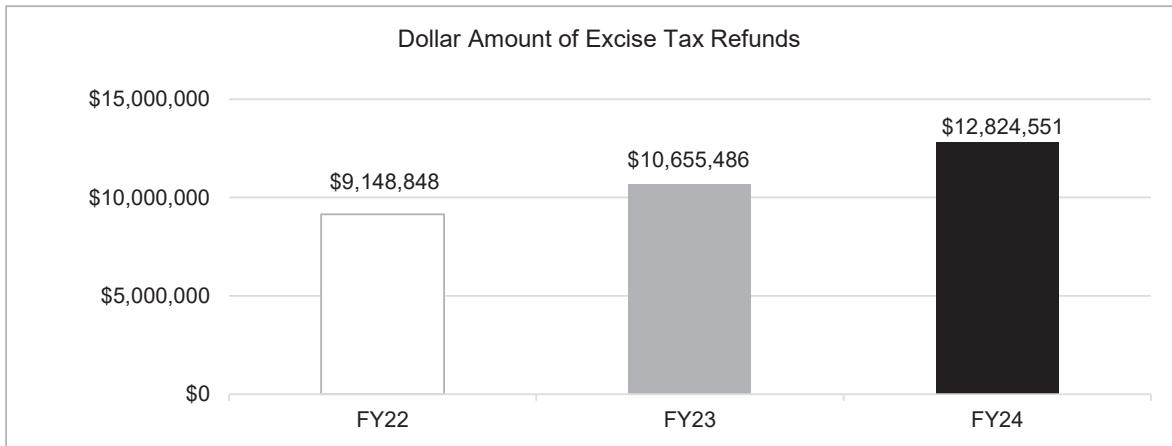
AB Section(s): 4.010

Program Name: Business Tax Bureau

Program is found in the following core budget(s): Taxation

2c. Provide a measure(s) of the program's impact.

i. Excise Tax - Dollar Amount of Refunds

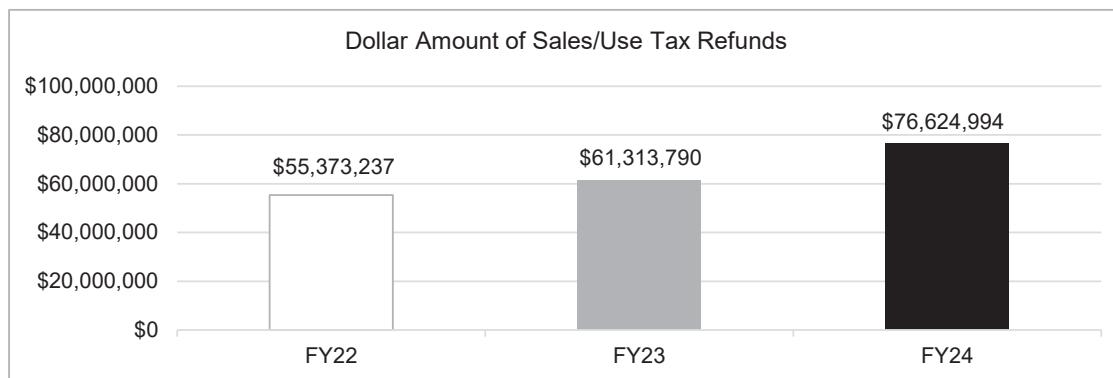


The increase in FY24 in total excise refund claims is a result of Senate Bill 262 passed in the 2021 legislative session, which allows for a refund of the tax increase paid on motor fuel used for highway purposes in addition to the non-highway refunds.

ii. Sales/Use Tax Refunds - Dollar Amount of Refunds

An average of 4,596 sales and use refunds were processed each fiscal year for the past three fiscal years. A refund could include one tax filing period or up to 120 filing periods.

The increase in the dollar amount of sales/use tax refunds from FY24 compared to FY23 is due to the issuance of a few large refund claims totalling \$17.7 million.



PROGRAM DESCRIPTION

Department of Revenue

AB Section(s): 4.010

Program Name: Business Tax Bureau

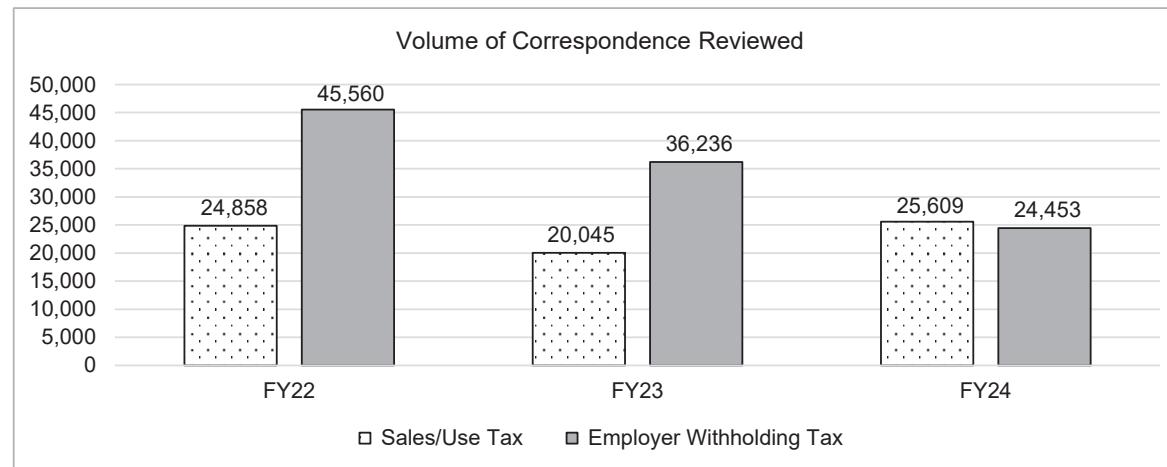
Program is found in the following core budget(s): Taxation

iii. Correspondence - Volume of Correspondence Reviewed

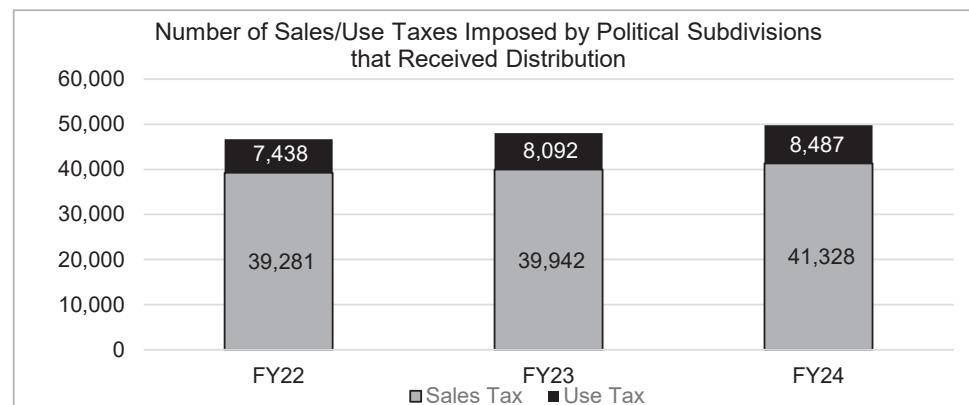
Correspondence is received by many media types, such as: mail-in, email, and MyTax Missouri portal service requests.

Employer Withholding correspondence was down in FY24 due to not issuing withholding tax non-filer notices.

Sales Tax saw an increase in correspondence reviewed as a result of issuing sales tax non-filer notices.



iv. Local Tax - Number of Sales/Use Taxes Imposed by Political Subdivisions



Cities, counties, and districts can impose several different types of sales/use taxes in accordance with local sales/use tax statutes. The Department separately distributes each tax imposed/collected to the applicable political subdivisions. The number of sales and use taxes imposed by political subdivisions will vary depending on newly imposed taxes, annexations, and expirations of tax.

PROGRAM DESCRIPTION

Department of Revenue

AB Section(s): 4.010

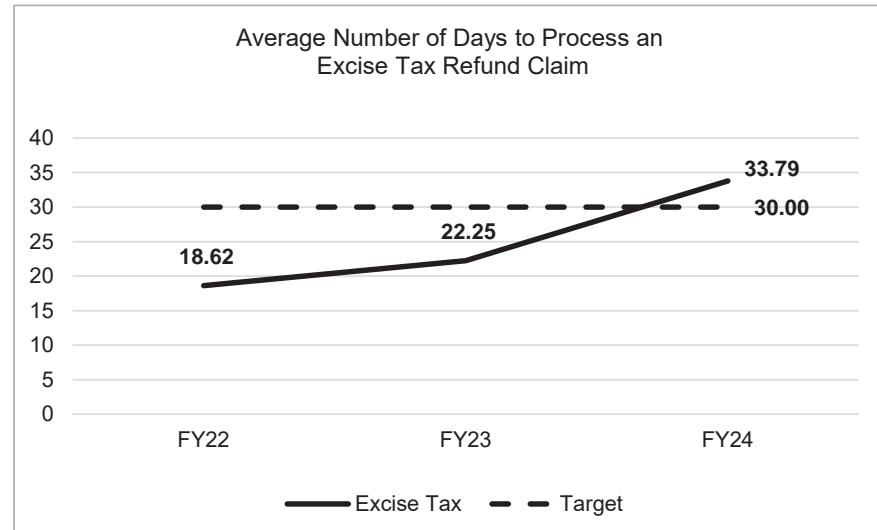
Program Name: Business Tax Bureau

Program is found in the following core budget(s): Taxation

2d. Provide a measure(s) of the program's efficiency.

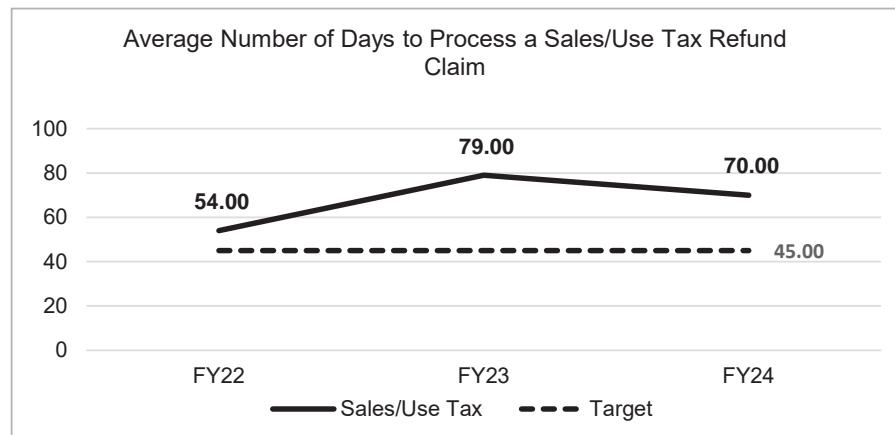
i. Excise Tax - Days to Process a Refund Claim

There was an increase of 11.54 days to process a refund claim in FY24 compared to FY23. This was due to staff turnover.



ii. Sales/Use Tax Refunds - Days to Process a Refund Claim

There was a decrease of 9 days to process a refund claim in FY24 compared to FY23.



PROGRAM DESCRIPTION

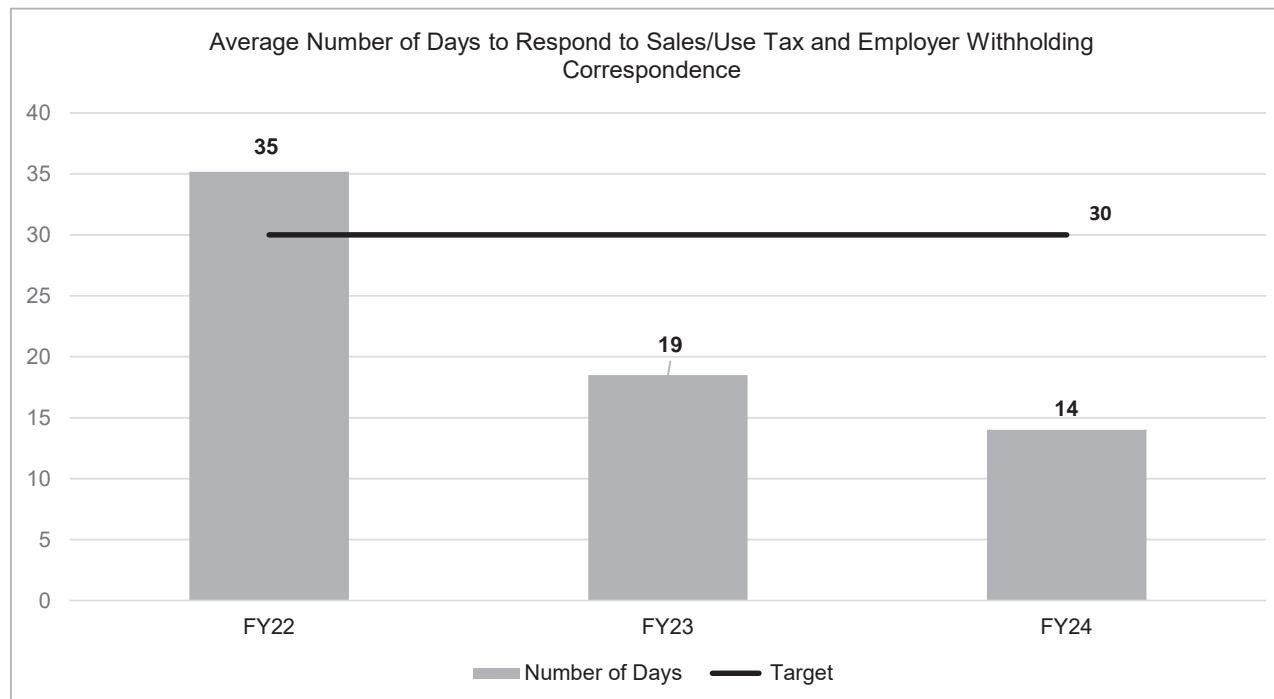
Department of Revenue

AB Section(s): 4.010

Program Name: Business Tax Bureau

Program is found in the following core budget(s): Taxation

iii. Correspondence - Turnaround Time for Sales/Use Tax and Employer Withholding Tax



In FY24, the Business Tax Bureau decreased the correspondence response time by 5 days compared to FY23. In FY24, the Business Tax Bureau experienced a decrease in incoming correspondence and were able to work the correspondence more efficiently.

PROGRAM DESCRIPTION

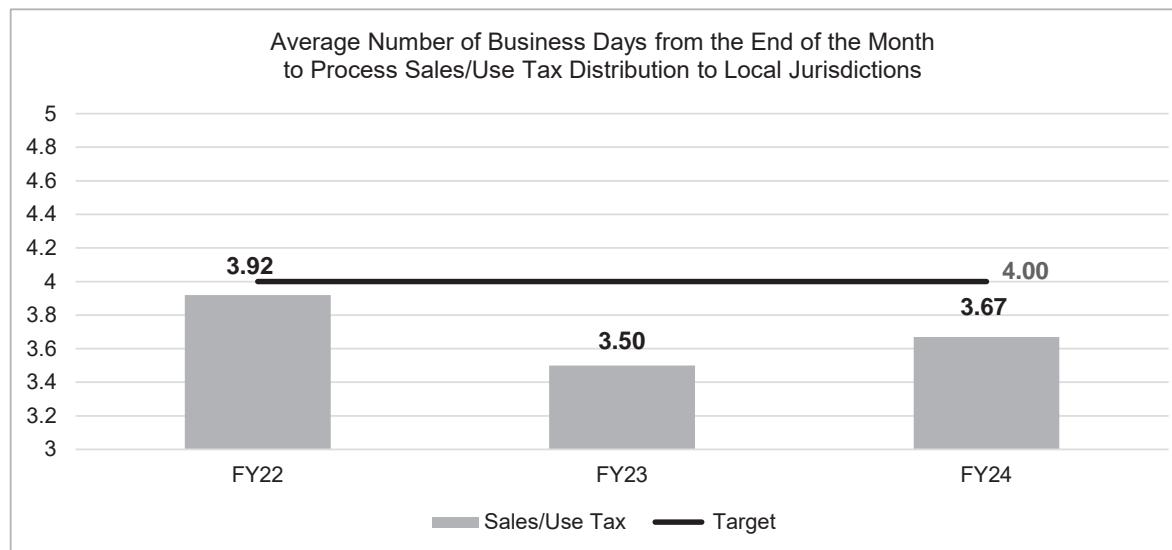
Department of Revenue

AB Section(s): 4.010

Program Name: Business Tax Bureau

Program is found in the following core budget(s): Taxation

iv. Local Tax - Sales/Use Distributions to Local Jurisdictions



By statute, local sales/use tax distribution must be completed by the 10th calendar day following the month the tax return was processed. The Department has a target to process distribution within 4 business days after the close of the end of the month to meet the expectations of the local jurisdictions.

PROGRAM DESCRIPTION

Department of Revenue

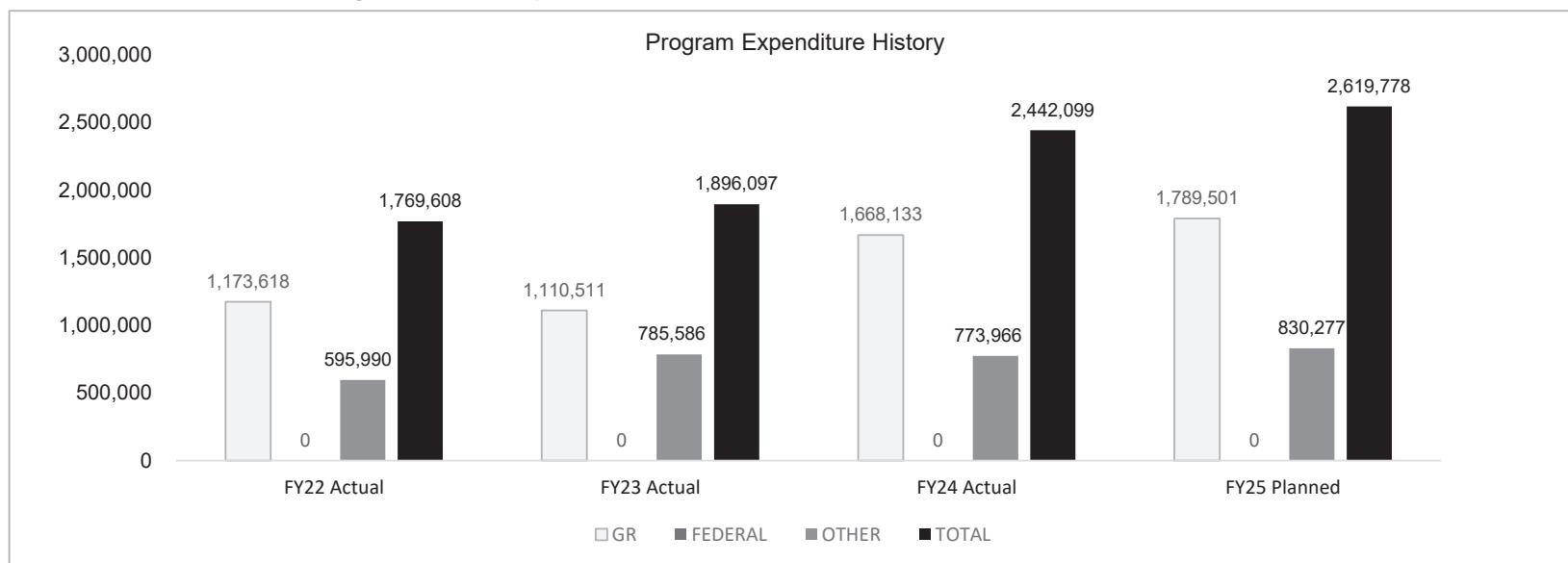
AB Section(s): 4.010

Program Name: Business Tax Bureau

Program is found in the following core budget(s): Taxation

3. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.

(Note: Amounts do not include fringe benefit costs.)



4. What are the sources of the "Other" funds?

Conservation Commission Fund (0609), Health Initiatives Fund (0275), Petroleum Inspection Fund (0662), Petroleum Storage Tank Insurance Fund (0585), State Highways and Transportation Department Fund (0644)

5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Missouri Constitution, Article IV, Sections 12, 15 and 22 and Chapters 32, 136, 142, 143, 144, 148 and 149 RSMo.

6. Are there federal matching requirements? If yes, please explain.

No

7. Is this a federally mandated program? If yes, please explain.

No

PROGRAM DESCRIPTION

Department of Revenue	AB Section(s):	4.010
Program Name: Collections and Tax Assistance		
Program is found in the following core budget(s): Taxation		

1a. What strategic priority does this program address?

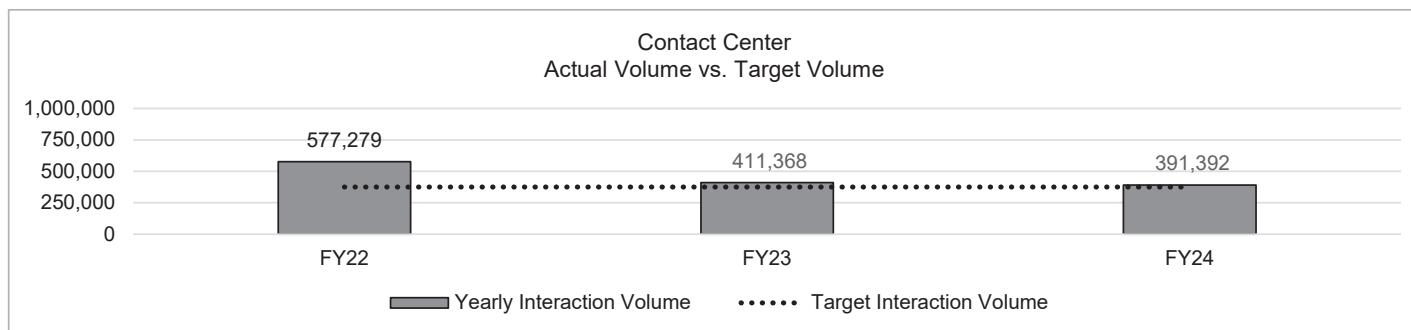
Embed Transformational Purpose; Focus on Service Culture; Partnerships; IT Roadmap

1b. What does this program do?

The Collections and Tax Assistance Bureau (CATA) is responsible for operating a contact center, collecting delinquent tax liabilities, and issuing tax clearances and no tax due statements to help customers. CATA also performs account resolution through collection activities that include account management, lien filing, garnishments, and working with collection agencies and prosecuting attorneys to collect delinquent taxes.

2a. Provide an activity measure(s) for the program.

i. Contact Center - Incoming interaction Volume



Comment: Decreased interactions can be attributed to the Department's initiative to maintain an acceptable processing time for all functions. This has allowed customer's returns, emails, and correspondence to be answered quicker and thus generate fewer calls. Another contributing factor is the MyTax online portal where customers can view their own account information. Many contact center agents have also been trained to assist customers with correcting their accounts over the phone, eliminating the need for a hand-off to another area of Taxation and further reducing processing times.

PROGRAM DESCRIPTION

Department of Revenue

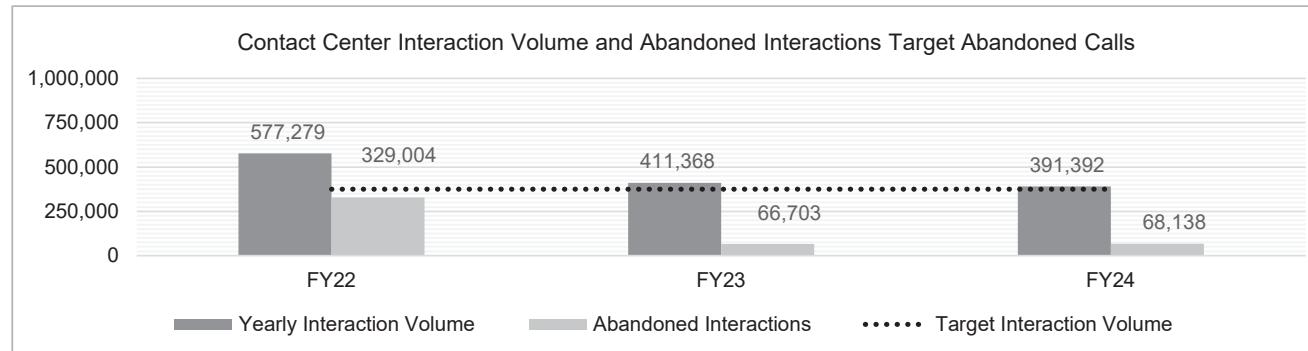
AB Section(s): 4.010

Program Name: Collections and Tax Assistance

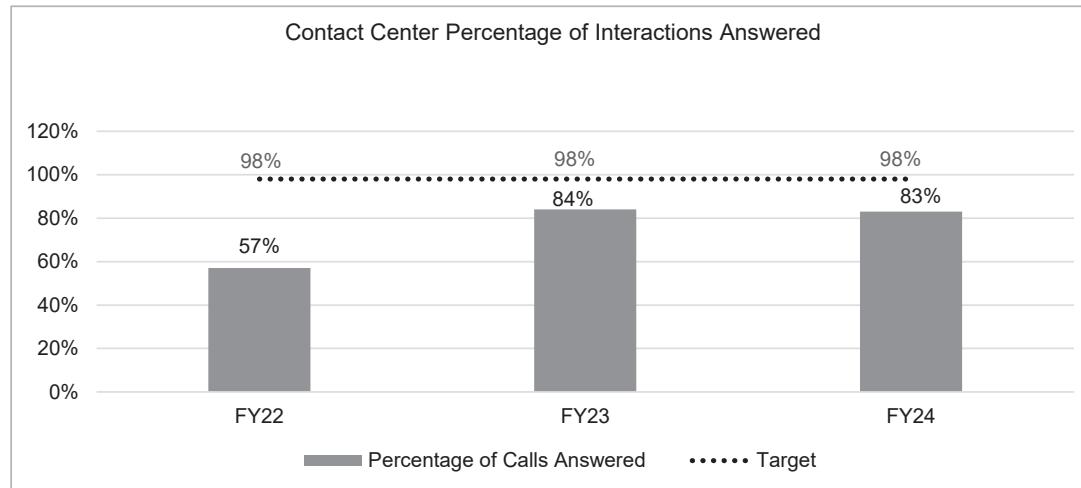
Program is found in the following core budget(s): Taxation

2b. Provide a measure(s) of the program's quality.

i. Contact Center - Incoming Calls Abandoned / Answered



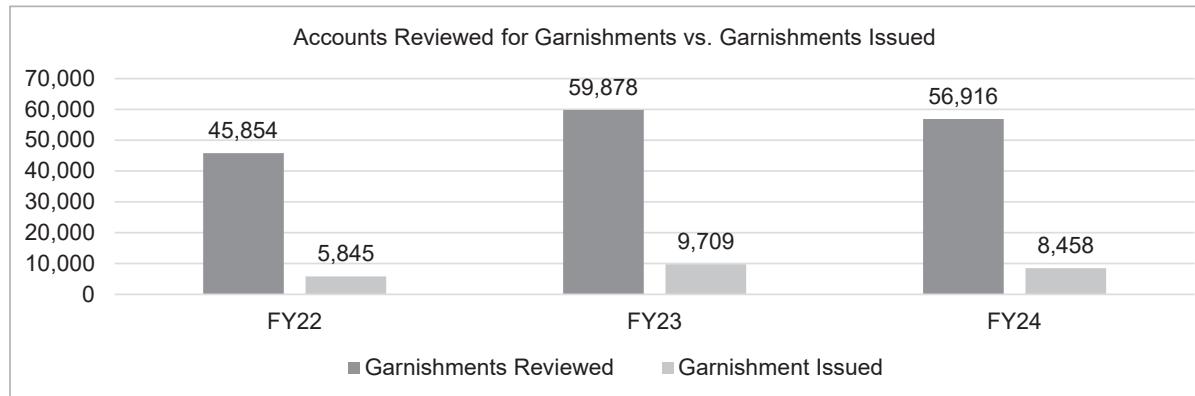
Comment: In FY23, the abandoned calls decreased by 26 percent compared to FY22. The contact center struggled to fill vacancies in FY22, averaging 27 vacancies, per month. In FY23, the average vacancies were 14. Virtual Hold, a new feature added in May 2022, assisted in reducing abandoned calls. This feature allows our customers to hold their place in line for a call back, decreasing their wait time in our call queues. In FY24, we again struggled to fill vacancies and carried an average of 20 vacancies, however we experienced noticeable improvements late in FY24.



PROGRAM DESCRIPTION

Department of Revenue	AB Section(s):	4.010
Program Name: Collections and Tax Assistance		
Program is found in the following core budget(s): Taxation		

ii. Garnishment - Debts Reviewed for Garnishment vs. Garnishments Issued



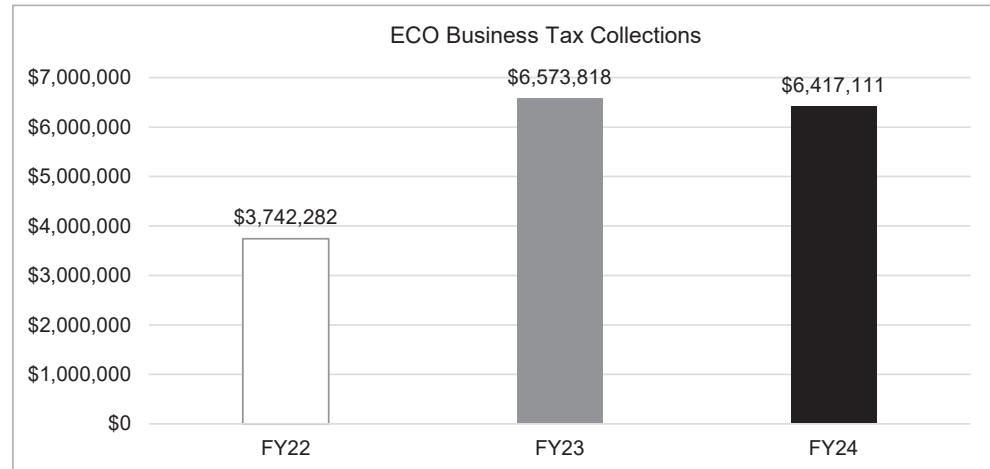
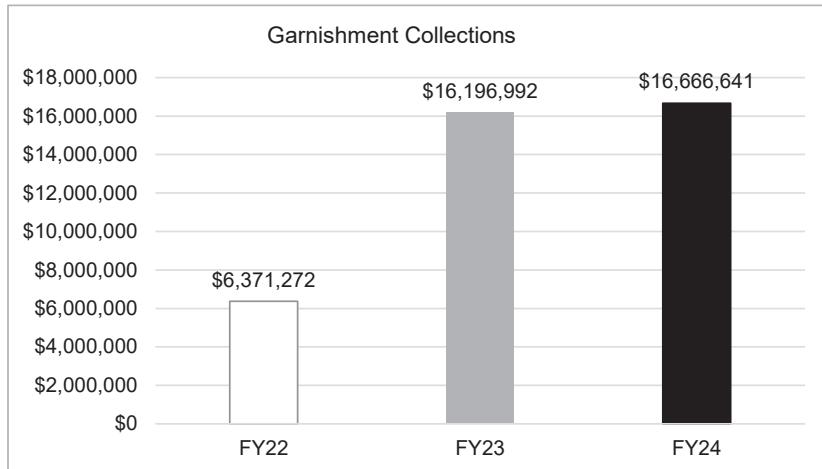
The Department is responsible for taking steps to ensure individuals and businesses pay their tax liability. These steps can range from an initial balance due notice to more serious collection enforcement actions such as issuance of a bank, wage or brokerage account garnishment. All debts are reviewed before garnishment orders are issued. The Department reviews external data sources to search for assets to garnish, such as wages or bank accounts. All collection notices must be mailed, and a lien must be present on the debt, before a garnishment can be issued on an outstanding balance due.

PROGRAM DESCRIPTION

Department of Revenue	AB Section(s):	4.010
Program Name: Collections and Tax Assistance		
Program is found in the following core budget(s): Taxation		

2c. Provide a measure(s) of the program's impact.

i. Enforced Collections - Garnishment Collections and Collections made by our Extraordinary Collections (ECO) staff.



The Enforced Collections team files liens, revokes business licenses, issues garnishments, and evaluates offers-in-compromise. The specialized Extraordinary Collections staff work with the Taxation collection attorneys to file motions in court or injunctions and place liens for businesses with debts over \$50,000, that are operating without a valid sales tax license. This team also works with the Taxation collection attorneys in probate matters.

PROGRAM DESCRIPTION

Department of Revenue

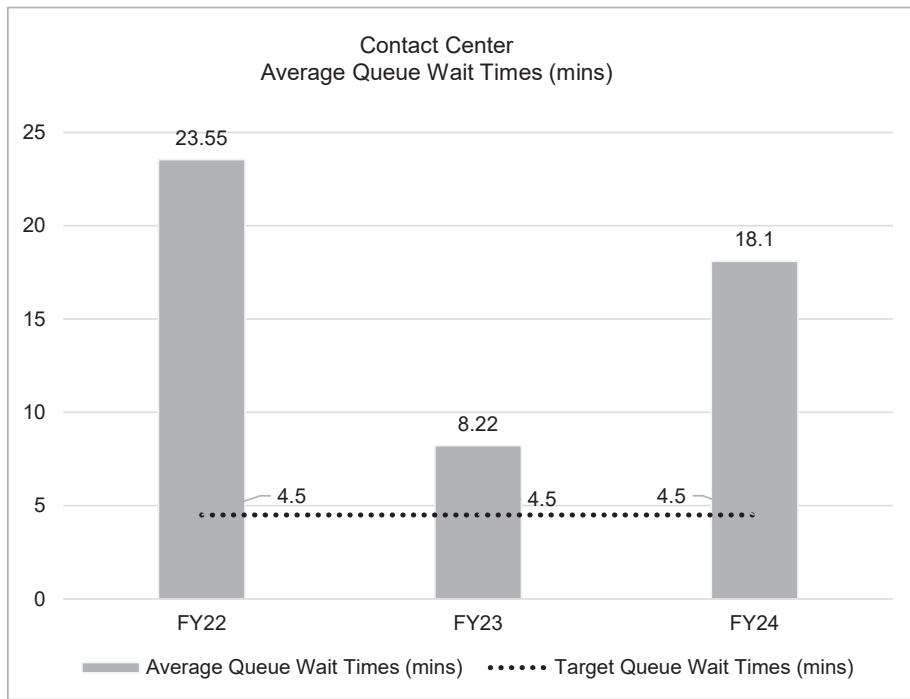
AB Section(s): 4.010

Program Name: Collections and Tax Assistance

Program is found in the following core budget(s): Taxation

2d. Provide a measure(s) of the program's efficiency.

i. Contact Center - Average Queue Time



The Contact Center's average wait time increased during FY24. Throughout tax season, which is the busiest time of year for Taxation, the contact center struggled to fill vacancies, averaging 31 vacancies compared 19 vacancies for the same time period in FY23. The Department also issued 309,850 more notices in FY24 than in FY23.

The Contact Center's on queue messages do offer alternative solutions for customers who cannot wait. They include:

- Chatbot DORA
- Live Chat
- Schedule a Tax Call
- MyTax Portal for Self-service
- Virtual Hold

Note:

In FY22, increased turnover and fewer seasoned staff resulted in 13 fewer agents interacting with customers daily compared to FY23. The Department issued 639,804 more notices in FY22 compared to FY23, which caused an increase in customer contacts.

PROGRAM DESCRIPTION

Department of Revenue

AB Section(s): 4.010

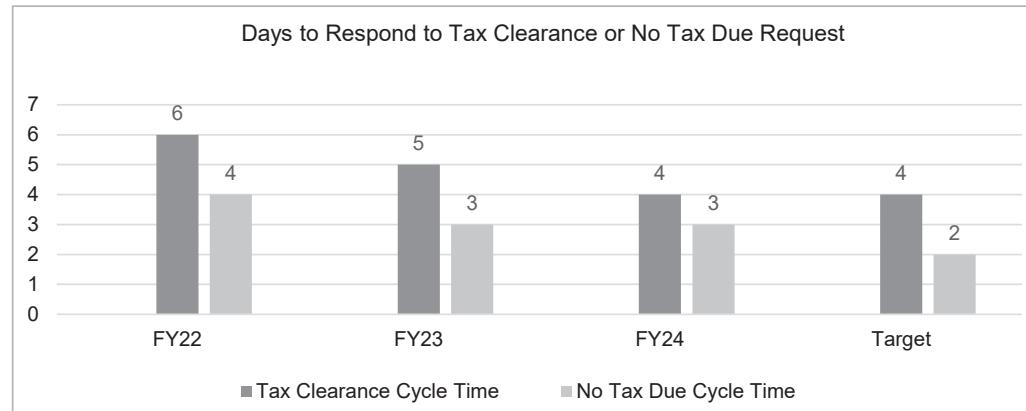
Program Name: Collections and Tax Assistance

Program is found in the following core budget(s): Taxation

ii. Tax Clearance - Days to Respond to a Request

Tax Clearance requests require a more extensive review than a No Tax Due.

In FY22, the increase in cycle time for Tax Clearance requests and No Tax Due requests can be attributed to an almost complete turnover in staff in this group. In FY23, new team members were still getting fully up to speed on tasks. In FY24, the Department was able to send a dissolution file to the Secretary of State's office for the first time in several years, which caused more Tax Clearances to be requested. In FY24, this team was also tasked with issuance of a Tax Clearance for a daycare program for DESE. The team is now fully staffed and has been cross trained to assist two other units.



PROGRAM DESCRIPTION

Department of Revenue

AB Section(s): 4.010

Program Name: Collections and Tax Assistance

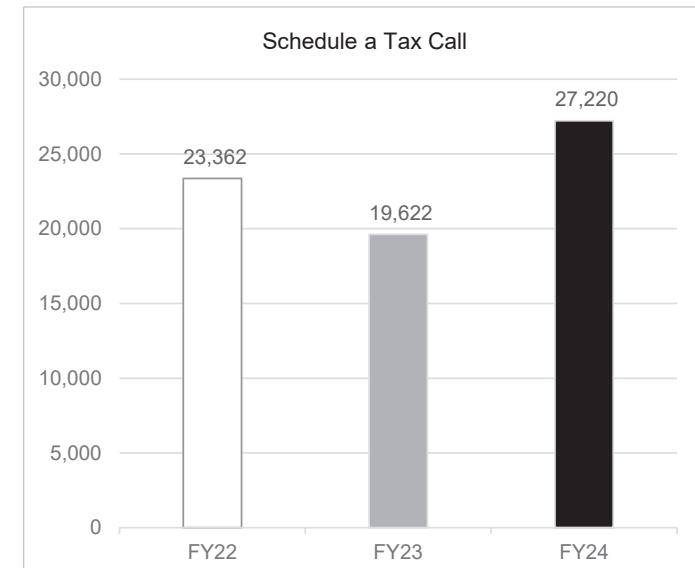
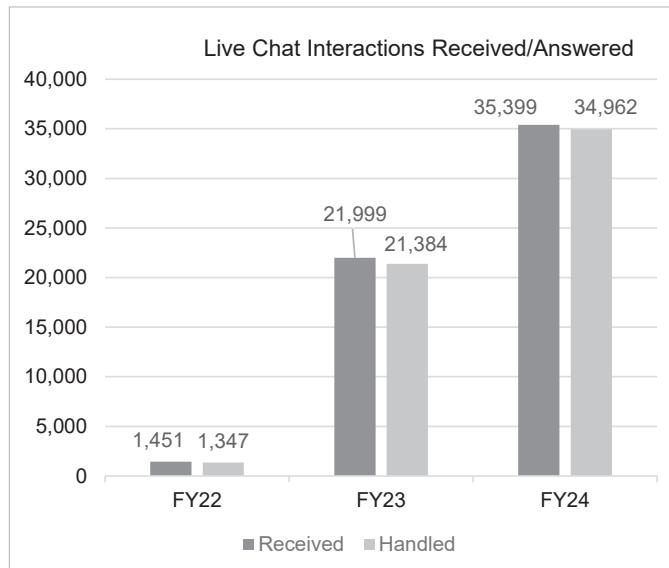
Program is found in the following core budget(s): Taxation

3. Live Chat and Schedule a Tax Call.

Live Chat was rolled out in late May of 2022 with 3 topics. Then in Nov 2022, we added 12 additional topics for a total of 15.

Schedule a Tax Call was rolled out in August 2021, an upgraded version of this feature was implemented February 2022.

In FY24, a postcard was created featuring the benefits of both of these services in order to better promote these methods of contacting the Department. These are placed in our Tax Information Office and handed out at speaking events. Both services are regularly promoted on our social media platforms.



PROGRAM DESCRIPTION

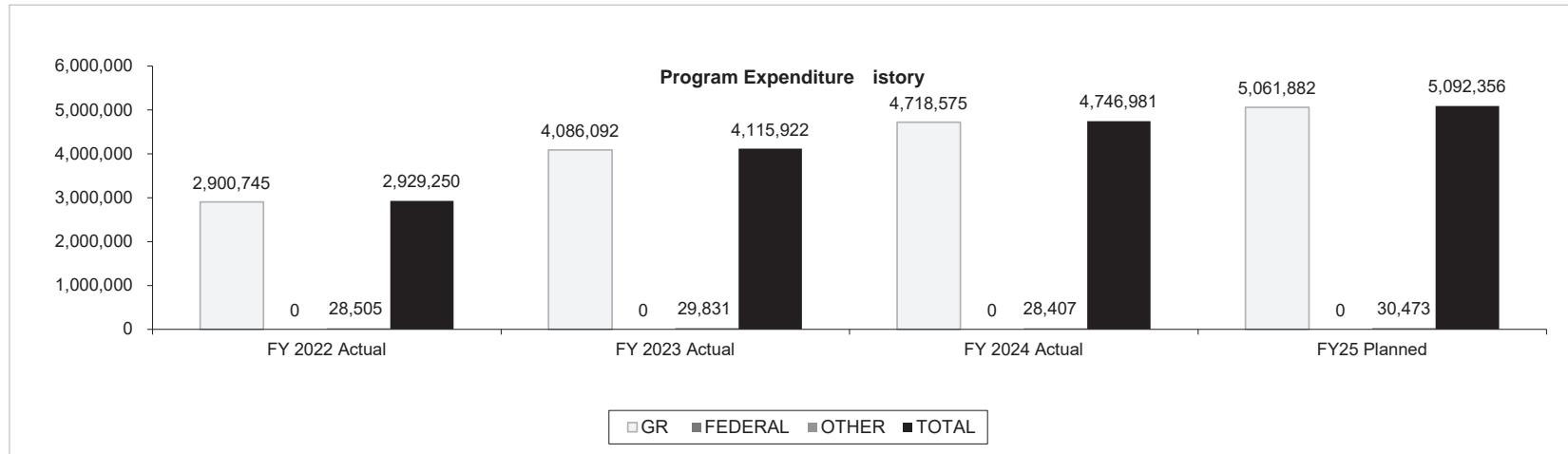
Department of Revenue

AB Section(s): 4.010

Program Name: Collections and Tax Assistance

Program is found in the following core budget(s): Taxation

3. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year. (Note: Amounts do not include fringe benefit costs.)



4. What are the sources of the "Other " funds?

N/A

5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Missouri Constitution, Article, IV, Sections 12, 15, and 22 and Chapters 32, 136, 142, 143, and 144 RSMo.

6. Are there federal matching requirements? If yes, please explain.

No

7. Is this a federally mandated program? If yes, please explain.

No

PROGRAM DESCRIPTION											
Department of Revenue	AB Section(s): <u>4.010</u>										
Program Name: <u>Field Compliance Bureau</u>											
Program is found in the following core budget(s): <u>Taxation</u>											
1a. What strategic priority does this program address?											
Embed Transformational Purpose; Focus on Service Culture; Partnerships; IT Roadmap											
1b. What does this program do?											
<p>The Field Compliance Bureau (FCB) includes Audit Services, Nexus, and Tax Electronic services. FCB assists and educates Missouri customers to help them become compliant with Missouri statutory tax obligations by conducting audits, notifying business customers of potential tax liability, and maintaining tax system data requests and security.</p>											
2a. Provide an activity measure(s) for the program.											
<p>i. Audits - Volume of Audits Conducted</p> <p>The Audit Services section measures the number of audits conducted to monitor both internal production standards as well as external influence in the form of educational outreach to Missouri businesses. We treat every audit as an educational opportunity for future compliance. After the audit completion, customers gain a working knowledge of tax requirements to meet their filing and payment obligations.</p>											
<p style="text-align: center;">Total Audits Conducted</p> <table border="1"> <thead> <tr> <th>Fiscal Year</th> <th>Number of Audits</th> </tr> </thead> <tbody> <tr> <td>FY22</td> <td>1,068</td> </tr> <tr> <td>FY23</td> <td>954</td> </tr> <tr> <td>FY24</td> <td>1,061</td> </tr> <tr> <td>FY25 Goal</td> <td>1,536</td> </tr> </tbody> </table>		Fiscal Year	Number of Audits	FY22	1,068	FY23	954	FY24	1,061	FY25 Goal	1,536
Fiscal Year	Number of Audits										
FY22	1,068										
FY23	954										
FY24	1,061										
FY25 Goal	1,536										

PROGRAM DESCRIPTION

Department of Revenue

AB Section(s): 4.010

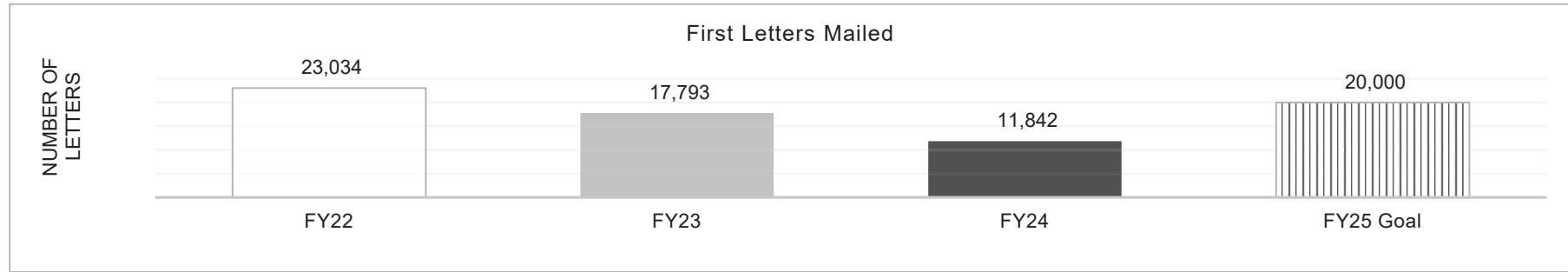
Program Name: Field Compliance Bureau

Program is found in the following core budget(s): Taxation

2a. Provide an activity measure(s) for the program (cont.).

ii. Nexus - Number of 1st Letters Mailed

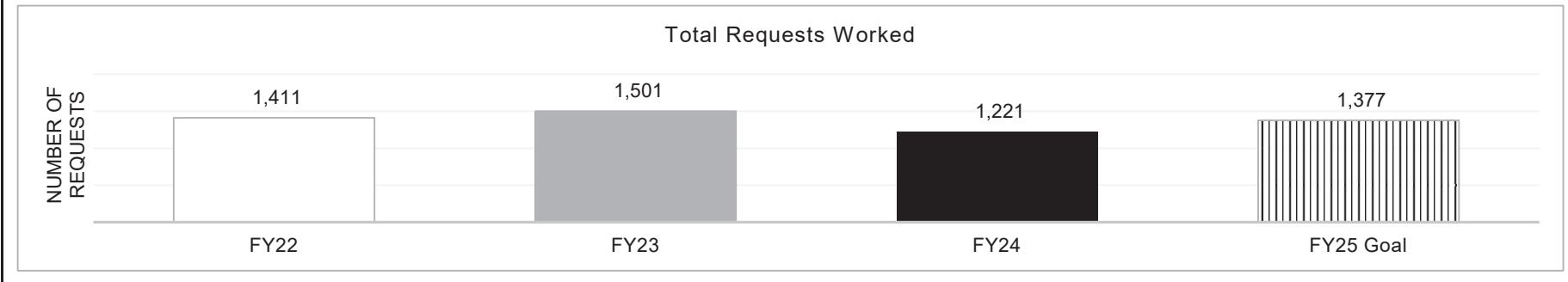
The Nexus section notifies businesses with Missouri activity of potential tax and payment obligations.



In FY24, a process improvement was implemented with one of the nexus programs to reduce unnecessary business contacts with entities that did not have Missouri withholding tax obligations. This change narrowed down the scope of entities that were contacted and reduced the number of letters mailed.

PROGRAM DESCRIPTION**Department of Revenue****AB Section(s):** 4.010**Program Name:** Field Compliance Bureau**Program is found in the following core budget(s):** Taxation**2a. Provide an activity measure(s) for the program (cont).****iii. Tax Electronic Services - Volume of Requests Worked**

The Tax Electronic Services section measures total data and security requests completed. Data requests include identifying the number of taxpayers or returns that meet a specific set of criteria and preparing and maintaining the Integrated Tax System reports. This section also processes and maintains individual security access to the Integrated Tax System.



PROGRAM DESCRIPTION

Department of Revenue

AB Section(s): 4.010

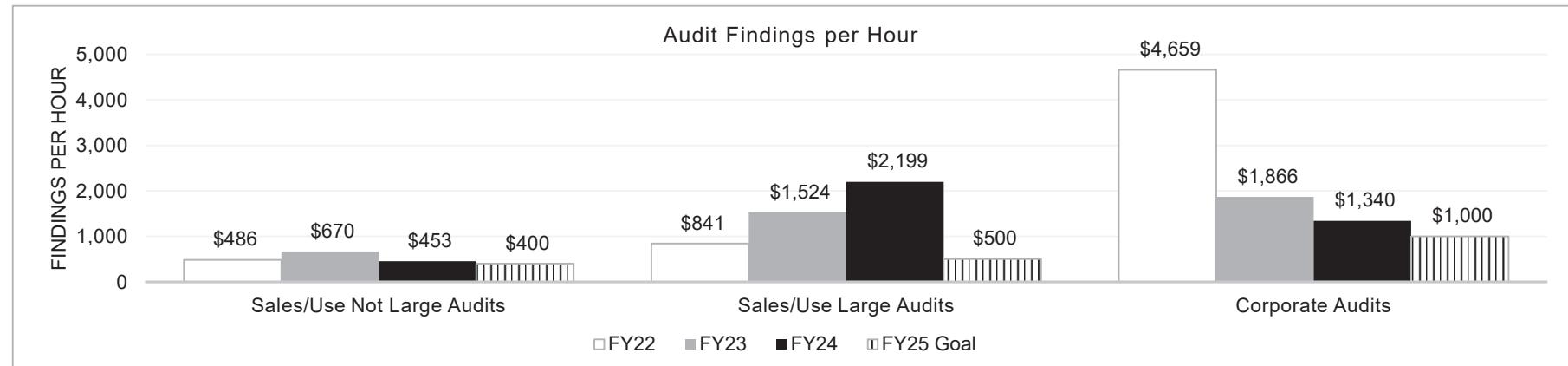
Program Name: Field Compliance Bureau

Program is found in the following core budget(s): Taxation

2b. Provide a measure(s) of the program's quality.

i. Audits - Findings per hour

The Audit Services section's audit findings per hour provide a measure of program quality by ensuring we are selecting the right businesses for audit.



The Department's Audit Model is the framework used to determine noncompliant businesses to audit. The degree of noncompliance is what determines the correct business for audit. A compliant taxpayer may not require our assistance or education. There were two extraordinary corporate audits in FY22, totaling \$48 million in audit findings, which inflated the average audit findings per hour in this period.

PROGRAM DESCRIPTION											
Department of Revenue	AB Section(s): <u>4.010</u>										
Program Name: Field Compliance Bureau											
Program is found in the following core budget(s): Taxation											
<p>2b. Provide a measure(s) of the program's quality (cont).</p> <p>ii. Nexus - Ratio of Leads Resulting in Collections</p> <p>Nexus tracks the number of leads that resulted in collections. This will allow us to measure the quality of Nexus lead programs over time. Many programs will not begin to see collections until years after the programs are implemented.</p>											
<p style="text-align: center;">Ratio of Leads Resulting in Collections</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio (%)</th> </tr> </thead> <tbody> <tr> <td>FY22</td> <td>1%</td> </tr> <tr> <td>FY23</td> <td>2%</td> </tr> <tr> <td>FY24</td> <td>4%</td> </tr> <tr> <td>FY25 Goal</td> <td>5%</td> </tr> </tbody> </table>		Year	Ratio (%)	FY22	1%	FY23	2%	FY24	4%	FY25 Goal	5%
Year	Ratio (%)										
FY22	1%										
FY23	2%										
FY24	4%										
FY25 Goal	5%										

PROGRAM DESCRIPTION																
Department of Revenue	AB Section(s): <u>4.010</u>															
Program Name: Field Compliance Bureau																
Program is found in the following core budget(s): Taxation																
<p>2b. Provide a measure(s) of the program's quality (cont).</p> <p>iii. Tax Electronic Services - Types and Areas of Data Requests Received</p> <p>Tax Electronic Services tracks the percentage of requests that were completed within the ideal range. These ideal ranges are 3 days for high/medium priority requests and 30 days for low priority requests. Tracking the percentage of requests that meet these goals will ensure that we are providing quality service to our customers making data requests.</p>																
<p style="text-align: center;">Percent of Tickets Worked Within Ideal Range Based on Priority</p> <table border="1"> <thead> <tr> <th>Priority Category</th> <th>FY22</th> <th>FY23</th> <th>FY24</th> <th>FY25 Goal</th> </tr> </thead> <tbody> <tr> <td>High / Medium Priority Requests (% Within 3 Days)</td> <td>74%</td> <td>80%</td> <td>82%</td> <td>80%</td> </tr> <tr> <td>Low Priority Requests (% Within 30 Days)</td> <td>99%</td> <td>99%</td> <td>99%</td> <td>99%</td> </tr> </tbody> </table> <p style="text-align: center;">□ FY22 ■ FY23 ■ FY24 □ FY25 Goal</p>		Priority Category	FY22	FY23	FY24	FY25 Goal	High / Medium Priority Requests (% Within 3 Days)	74%	80%	82%	80%	Low Priority Requests (% Within 30 Days)	99%	99%	99%	99%
Priority Category	FY22	FY23	FY24	FY25 Goal												
High / Medium Priority Requests (% Within 3 Days)	74%	80%	82%	80%												
Low Priority Requests (% Within 30 Days)	99%	99%	99%	99%												

PROGRAM DESCRIPTION																
Department of Revenue	AB Section(s): <u>4.010</u>															
Program Name: Field Compliance Bureau																
Program is found in the following core budget(s): Taxation																
<p>2c. Provide a measure(s) of the program's impact.</p> <p>i. Audits - Audit Findings Collections per Year</p> <p>The Audit Services section identifies unreported tax revenues that would have otherwise gone undetected. Impact in this area is measured by the amount of findings and collections resulting from completed audits.</p> <div style="border: 1px solid black; padding: 10px; width: 100%;"> <p style="text-align: center;">Audit Findings & Collections per Fiscal Year</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Total Findings</th> <th>Total Collections</th> </tr> </thead> <tbody> <tr> <td>FY22</td> <td>\$112,200,995</td> <td>\$28,585,531</td> </tr> <tr> <td>FY23</td> <td>\$75,890,272</td> <td>\$22,061,446</td> </tr> <tr> <td>FY24</td> <td>\$67,591,939</td> <td>\$39,624,447</td> </tr> <tr> <td>FY25 Goal</td> <td>\$70,000,000</td> <td>\$30,000,000</td> </tr> </tbody> </table> <p style="text-align: center;">■ Total Findings ■ Total Collections</p> <p>Audit assessments are sent and paid through the Department's collection actions. A collection may not be made by the customer until settlement or after a hearing for appealed audits, unless they pay under protest. The actual collection, in most instances, is not influenced by FCB. There were two extraordinary corporate audits in FY22, totaling \$48 million in audit findings, which inflated the total audit findings in this period. Audit services began offering prospective treatment of audit findings that meet specific criteria in March 2022, which would impact audit collections beginning in FY22.</p> </div>		Year	Total Findings	Total Collections	FY22	\$112,200,995	\$28,585,531	FY23	\$75,890,272	\$22,061,446	FY24	\$67,591,939	\$39,624,447	FY25 Goal	\$70,000,000	\$30,000,000
Year	Total Findings	Total Collections														
FY22	\$112,200,995	\$28,585,531														
FY23	\$75,890,272	\$22,061,446														
FY24	\$67,591,939	\$39,624,447														
FY25 Goal	\$70,000,000	\$30,000,000														

PROGRAM DESCRIPTION

Department of Revenue

AB Section(s): 4.010

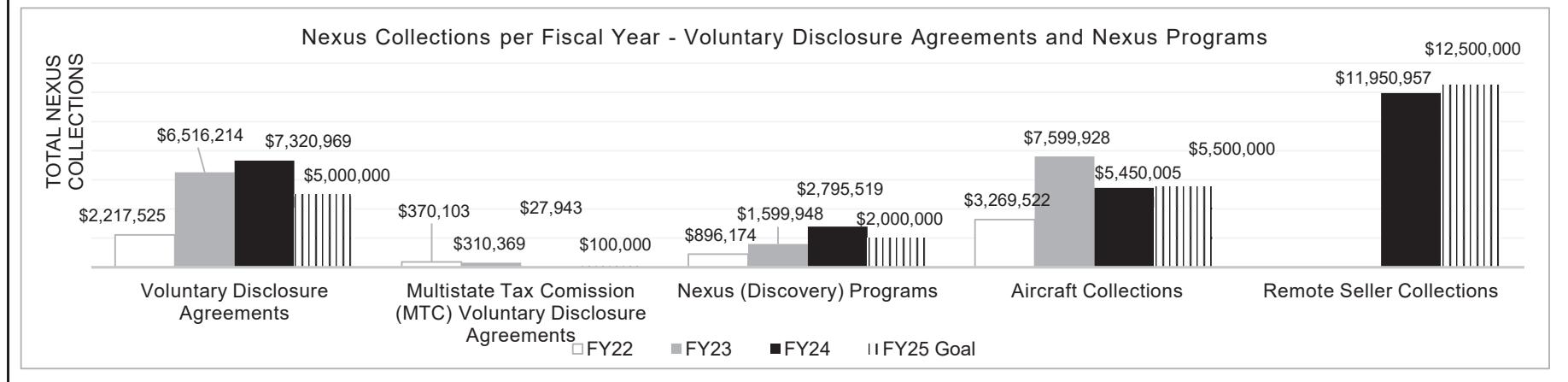
Program Name: Field Compliance Bureau

Program is found in the following core budget(s): Taxation

2c. Provide a measure(s) of the program's impact (cont).

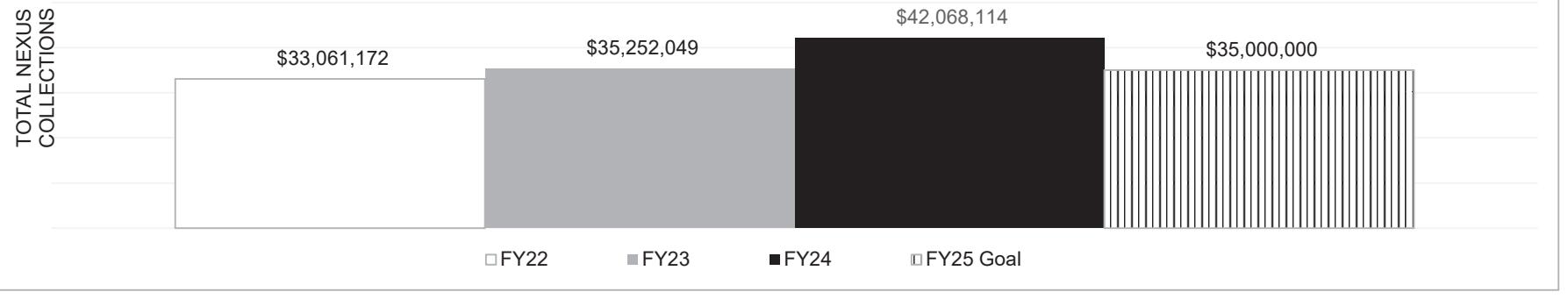
ii. Nexus - Collections per Year

The Nexus Unit measures impact in the form of collections from Voluntary Disclosure Agreements (VDA) and various Nexus programs. In January 2023, the Department was assisted by an analytics vendor to identify customers that may be impacted by SB153 signed in 2021 which was referred to as the remote seller legislation. With this assistance, Nexus was able to reach out to these out-of-state remote sellers and let them know of their potential filing obligations in Missouri.



PROGRAM DESCRIPTION**Department of Revenue****AB Section(s): 4.010****Program Name: Field Compliance Bureau****Program is found in the following core budget(s): Taxation****2c. Provide a measure(s) of the program's impact (cont).****ii. Nexus - Collections per Year**

The Nexus Unit is also responsible for administering the entertainer and athlete withholding program.

Nexus Collections per Fiscal Year - Entertainer and Athlete Withholding Program

PROGRAM DESCRIPTION														
Department of Revenue	AB Section(s): <u>4.010</u>													
Program Name: Field Compliance Bureau														
Program is found in the following core budget(s): Taxation														
2c. Provide a measure(s) of the program's impact (cont).														
iii. Tax Electronic Services - Impact of Requests <p>Tax Electronic Services assists all areas of Taxation by fulfilling data, report, and system access requests. These data requests and reports are used by the various areas of Taxation to improve their processes, see impact of system issues, or for planning purposes. Measuring the types of issues addressed allows us to monitor how we are best impacting team members in the Division year after year.</p> <p>The chart displays the following data:</p> <table border="1"> <thead> <tr> <th>Category</th> <th>FY22</th> <th>FY23</th> <th>FY24</th> </tr> </thead> <tbody> <tr> <td>User Account / Access Issues</td> <td>848</td> <td>729</td> <td>879</td> </tr> <tr> <td>Data Requests & Reports</td> <td>530</td> <td>772</td> <td>342</td> </tr> </tbody> </table>			Category	FY22	FY23	FY24	User Account / Access Issues	848	729	879	Data Requests & Reports	530	772	342
Category	FY22	FY23	FY24											
User Account / Access Issues	848	729	879											
Data Requests & Reports	530	772	342											

PROGRAM DESCRIPTION

Department of Revenue

AB Section(s): 4.010

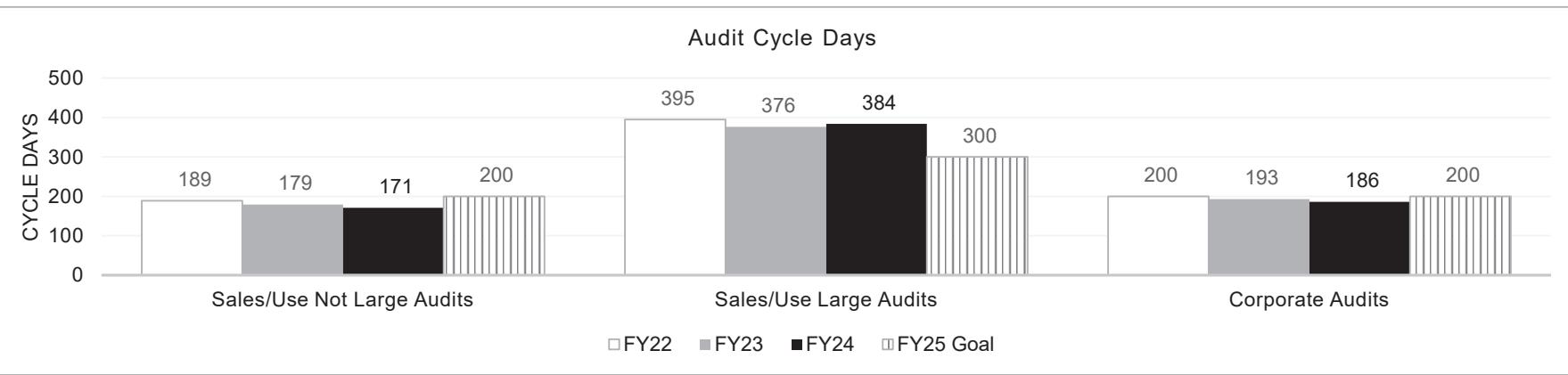
Program Name: Field Compliance Bureau

Program is found in the following core budget(s): Taxation

2d. Provide a measure(s) of the program's efficiency.

i. Audits - Cycle Days from Open to Close

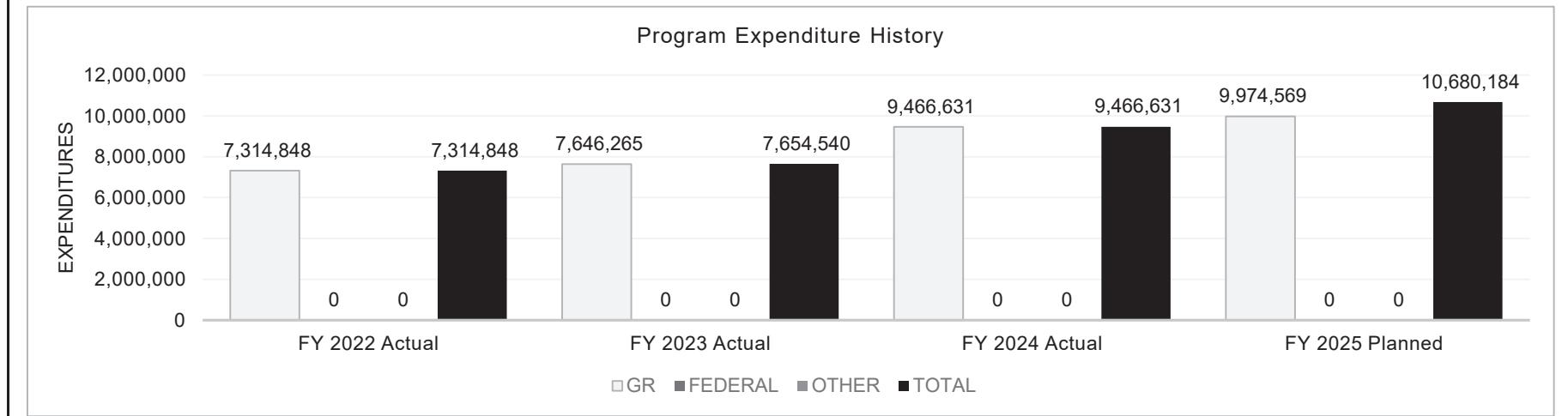
The FCB measures efficiency as the average audit cycle days per audit category. Audit cycle days is the number of days to complete the audit from the start of field work until the audited returns are submitted to begin the assessment process. Monitoring our average cycle days ensures we are performing audits efficiently and with minimal disruption to Missouri business activities.



PROGRAM DESCRIPTION											
Department of Revenue	AB Section(s): <u>4.010</u>										
Program Name: Field Compliance Bureau											
Program is found in the following core budget(s): Taxation											
<p>2d. Provide a measure(s) of the program's efficiency (cont).</p> <p>iii. Tax Electronic Services - Turnaround Time for Requests, Tickets, and Bugs</p> <p>Electronic Services tracks turnaround time for all requests, tickets, and bugs. This represents the number of days it takes to complete the request, measured from the time the ticket or request is submitted until the date it is completed. Monitoring the average time to complete requests allows us to ensure we are providing timely service to data and security requests.</p> <div style="border: 1px solid black; padding: 10px; width: 100%;"> <p style="text-align: center;">Turnaround Time for Taxation Electronic Services Requests</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">CYCLE DAYS</th> <th style="text-align: center;">FY22</th> <th style="text-align: center;">FY23</th> <th style="text-align: center;">FY24</th> <th style="text-align: center;">FY25 Goal</th> </tr> </thead> <tbody> <tr> <td style="text-align: left;">Average Turnaround Time to Close a Ticket (Days)</td> <td style="text-align: center;">3.9</td> <td style="text-align: center;">3.0</td> <td style="text-align: center;">2.0</td> <td style="text-align: center;">3.0</td> </tr> </tbody> </table> </div>		CYCLE DAYS	FY22	FY23	FY24	FY25 Goal	Average Turnaround Time to Close a Ticket (Days)	3.9	3.0	2.0	3.0
CYCLE DAYS	FY22	FY23	FY24	FY25 Goal							
Average Turnaround Time to Close a Ticket (Days)	3.9	3.0	2.0	3.0							

PROGRAM DESCRIPTION**Department of Revenue****AB Section(s): 4.010****Program Name: Field Compliance Bureau****Program is found in the following core budget(s): Taxation**

3. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year. (Note: Amounts do not include fringe benefit costs.)



4. What are the sources of the "Other" funds?

Not Applicable

5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Missouri Constitution, Article IV, Sections 12, 15 and 22 and Chapters 32, 136, 142, 143, 144, and 147 RSMo.

6. Are there federal matching requirements? If yes, please explain.

No

7. Is this a federally mandated program? If yes, please explain.

No

PROGRAM DESCRIPTION	
Department of Revenue	AB Section(s): 4.010
Program Name: Income Tax Bureau	
Program is found in the following core budget(s): Taxation	
1a. What strategic priority does this program address? Embed Transformational Purpose; Focus on Service Culture; Partnerships; IT Roadmap	
1b. What does this program do? The Income Tax Bureau administers income tax laws to help Missouri citizens meet their tax obligations by manually reviewing returns, reviewing returns for fraud, issuing refunds, issuing adjustment and billing notices, responding to customer inquiries, and administering debt offset programs.	

PROGRAM DESCRIPTION

Department of Revenue

AB Section(s): 4.010

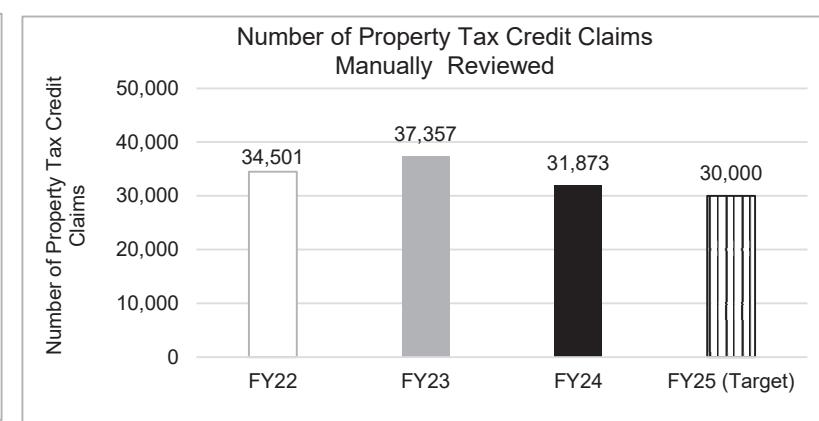
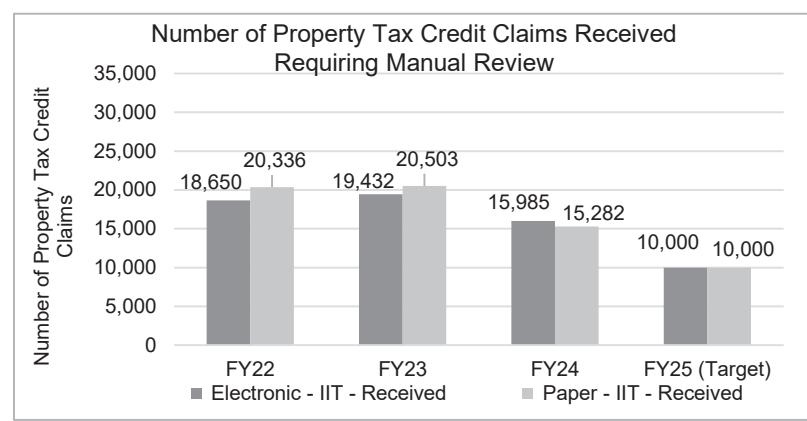
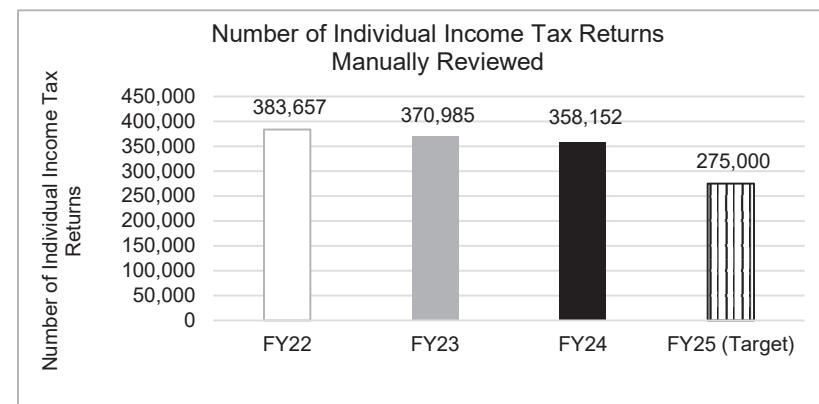
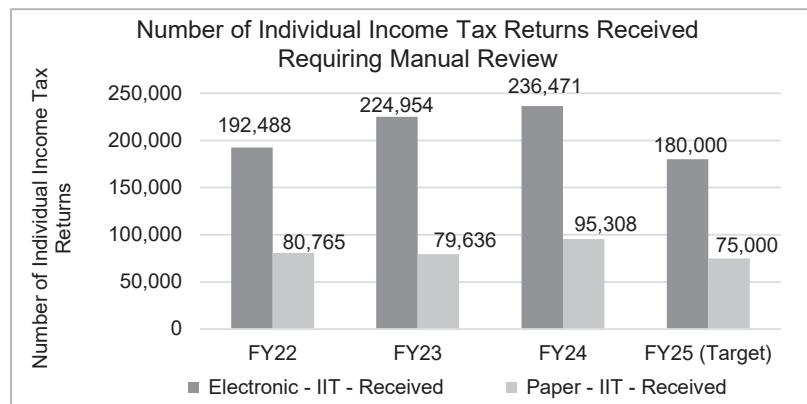
Program Name: Income Tax Bureau

Program is found in the following core budget(s): Taxation

2a. Provide an activity measure(s) for the program (cont).

i. Returns Manually Reviewed - Volume

The Income Tax Bureau manually reviews returns flagged by system edits to ensure the returns are calculated correctly and that the customer has provided proper documentation to support their claim. The volume of returns received requiring manual review increased in FY23 and FY24. The increase can be attributed to an increase in returns claiming a miscellaneous tax credit, specifically, the pass-through entity tax credit, and the allowance of credits for those with a filing status of head of household or qualifying widow(er). The Department also noted an inefficiency in a specific manual review audit reason, which has since been corrected.



PROGRAM DESCRIPTION

Department of Revenue

AB Section(s): 4.010

Program Name: Income Tax Bureau

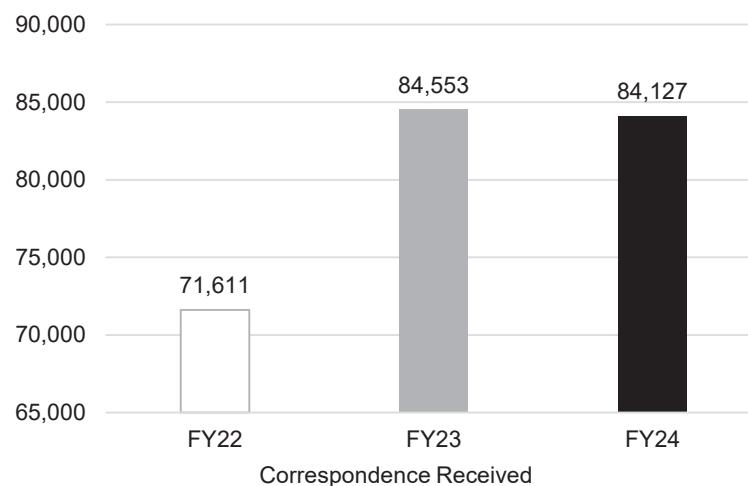
Program is found in the following core budget(s): Taxation

2a. Provide an activity measure(s) for the program (cont).

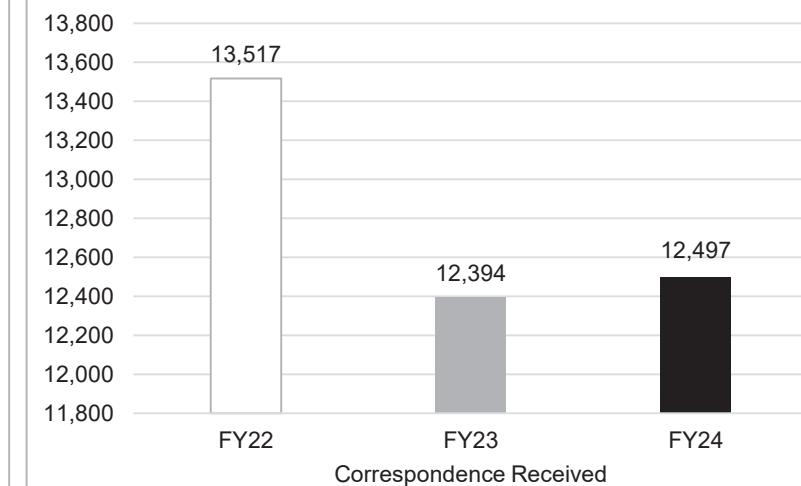
ii. Correspondence Received for Individual Income and Property Tax Credit Claims - Volume

The Income Tax Bureau sends outbound notices to customers whose returns are adjusted or show a balance due. As a result of outbound notices, the Income Tax Bureau receives inbound correspondence and responds to inquiries regarding the customers' individual income tax and property tax credit claim accounts. In FY24, the Income Tax Bureau sent out 950,283 notices for individual income tax and property tax credit claims.

Volume of Correspondence Received for Individual Income Tax Returns



Volume of Correspondence Received for Property Tax Credit Claims



PROGRAM DESCRIPTION

Department of Revenue

AB Section(s): 4.010

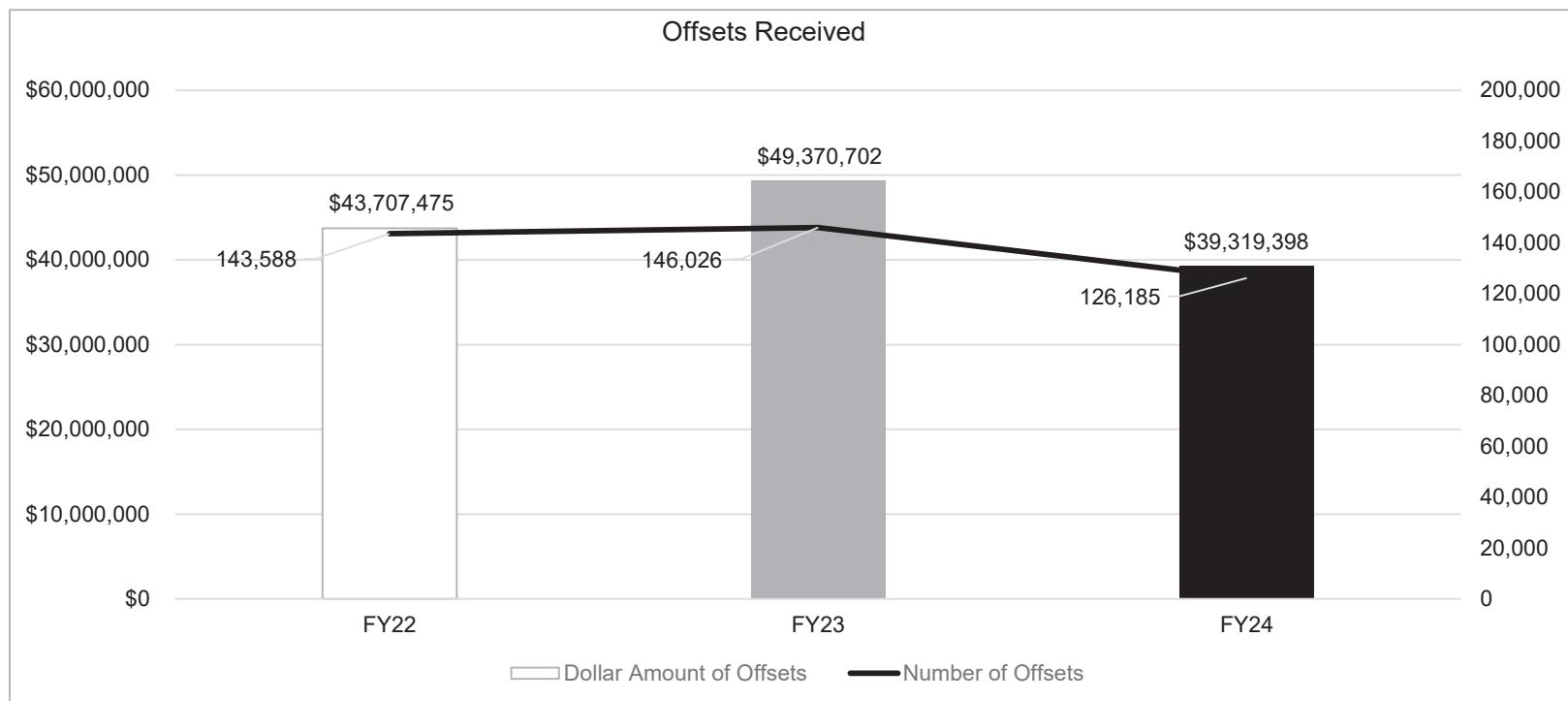
Program Name: Income Tax Bureau

Program is found in the following core budget(s): Taxation

2a. Provide an activity measure(s) for the program (cont).

iii. Income Tax Offsets Received - Volume and Amount

The Income Tax Bureau administers a reciprocal offset agreement with the Internal Revenue Service and the Kansas Department of Revenue to receive offset money and apply to Missouri individual income tax debts. The volume and dollar amounts below also include internal offsets.



PROGRAM DESCRIPTION

Department of Revenue

AB Section(s): 4.010

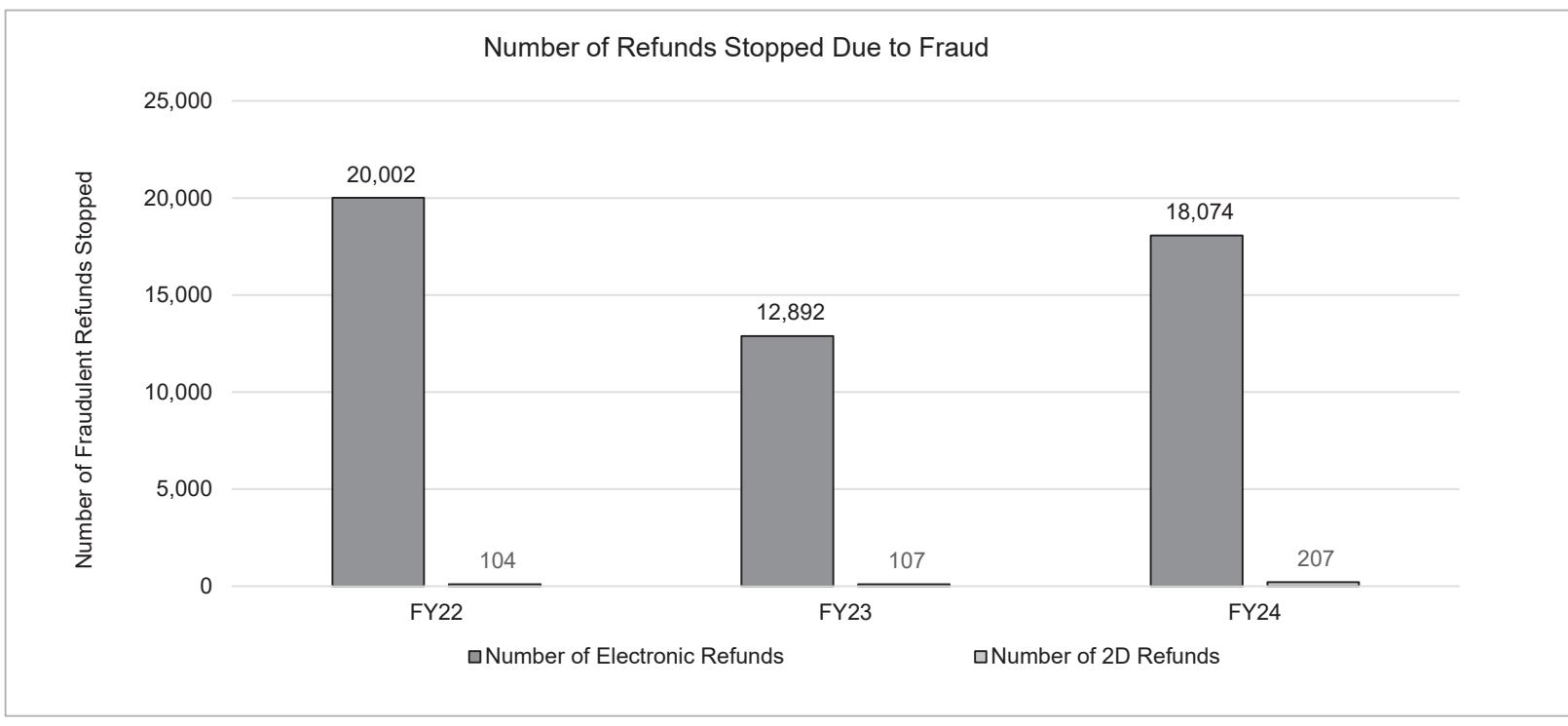
Program Name: Income Tax Bureau

Program is found in the following core budget(s): Taxation

2a. Provide an activity measure(s) for the program (cont).

iv. Refunds Stopped Due to Fraud - Volume

The Income Tax Bureau works with an external vendor to continually update a fraud analytics algorithm that identifies fraudulent returns. The algorithm is updated based on patterns found by our fraud team, other states sharing fraud patterns, and continuous analysis by our partnering vendor. A score is assigned to each electronically and portal filed individual income return and property tax credit claim and they undergo a pattern and cluster analysis. If the score exceeds the thresholds set, if fraudulent patterns, or clusters are identified, the return is flagged for manual review. The Income Tax Bureau also utilizes reports developed to identify fraud on paper returns. The fraud patterns observed in the prior fiscal years, continued in FY24.



PROGRAM DESCRIPTION**Department of Revenue****AB Section(s): 4.010****Program Name: Income Tax Bureau****Program is found in the following core budget(s): Taxation****2a. Provide an activity measure(s) for the program (cont).****v. Volume of Notices Issued to State Employees, Professional Licensees, and Other Discovery Programs**

The Income Tax Bureau is required to perform a tax compliance check on all state employees and professional licensees including attorneys and insurance licensees to determine if the taxpayer has filed the last three years of tax returns and that all state taxes owed have been paid. If an employee or licensee has not filed a return or has a delinquency, a notice is mailed to the taxpayer. If the taxpayer fails to remedy or make arrangements for tax compliance, the agency or board of professional registration is notified. The Income Tax Bureau receives data from the IRS to identify additional leads of potential taxpayers who haven't filed a tax return or have discrepancies on their filed return. If any non-filed period or discrepancy is identified, a notice is mailed to the taxpayer.

The increase in the number of notifications sent out on non-filers is due to additional programs being operational in FY23 and FY24.

The Division of Professional Registration has requested the Department suspend the Professional Registration Program.

Discovery Programs	22	23	24
State Employees	5,868	4,148	6,718
Professional Registration	-	-	-
Insurance	120	302	289
Nursing Home Administrators	99	24	35
Attorneys	244	342	592
Non-filers	81,383	170,565	192,426
Discrepancy	16,991	27,083	11,422
Total Notifications	104,705	202,464	211,482

PROGRAM DESCRIPTION

Department of Revenue

AB Section(s): 4.010

Program Name: Income Tax Bureau

Program is found in the following core budget(s): Taxation

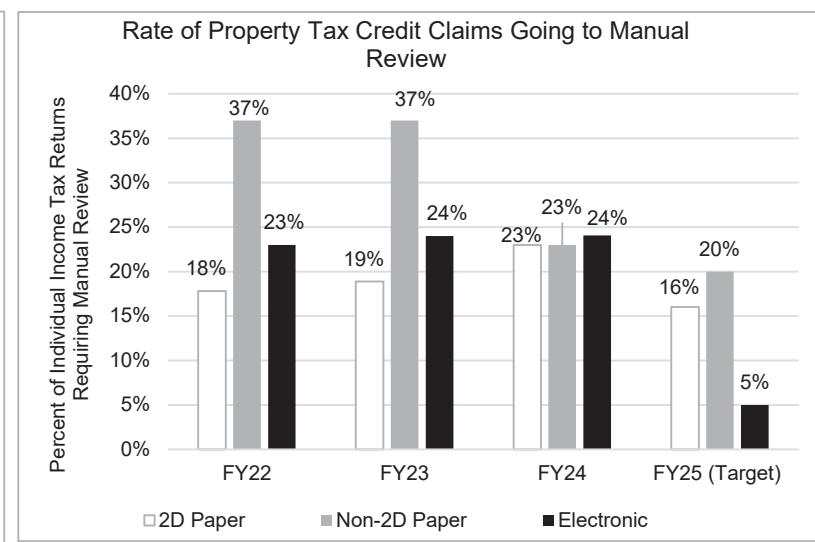
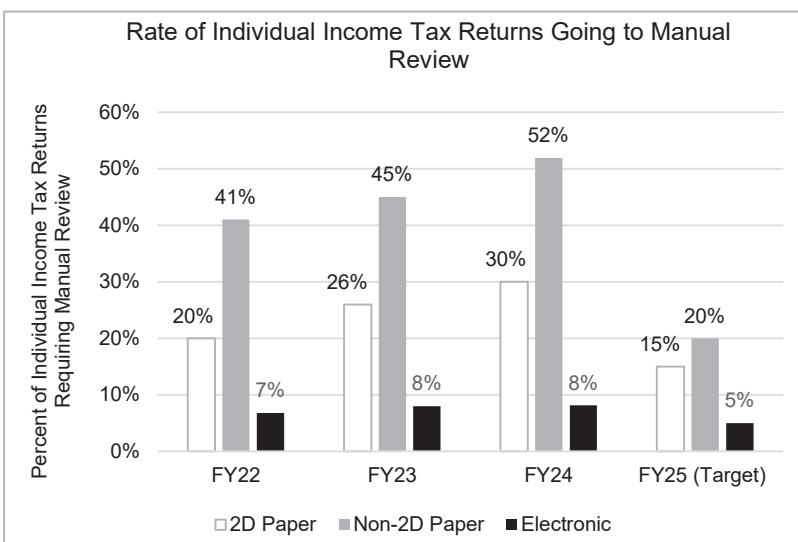
2b. Provide a measure(s) of the program's quality.

i. Rate of Returns Going to Manual Review

The rate of individual income tax returns and property tax credit claims flagged for manual review are categorized below by filing source as 2D paper, Non-2D paper, and electronic. The 2D paper returns are paper forms that include a 2D barcode and are scanned into the system. The Non-2D paper returns are forms with no barcode which must be keyed into the system manually or are sent through scanners utilizing data capture software that reads the data entered on each line of the form. The electronic returns are returns submitted electronically and received through our Mefile software.

The FY24 increase in the manual review rate associated with Non-2D paper returns was caused by a system issue. This issue has been resolved.

During tax season, the Income Tax Bureau completes daily quality checks in an effort to identify any issues that increase the manual review rate and correct them early in the filing season.



PROGRAM DESCRIPTION

Department of Revenue

AB Section(s): 4.010

Program Name: Income Tax Bureau

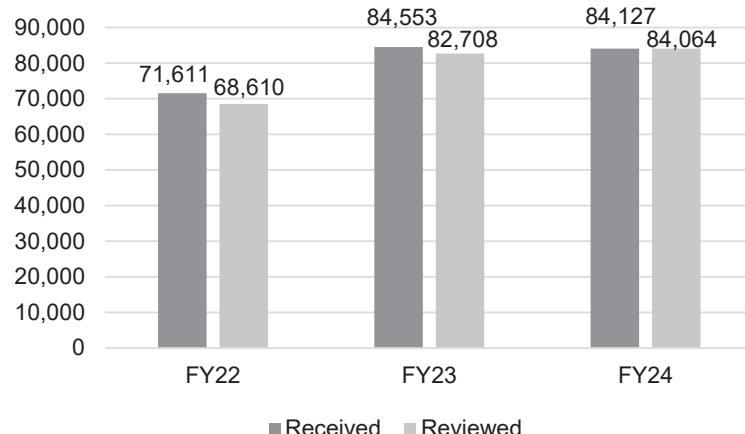
Program is found in the following core budget(s): Taxation

2c. Provide a measure(s) of the program's impact.

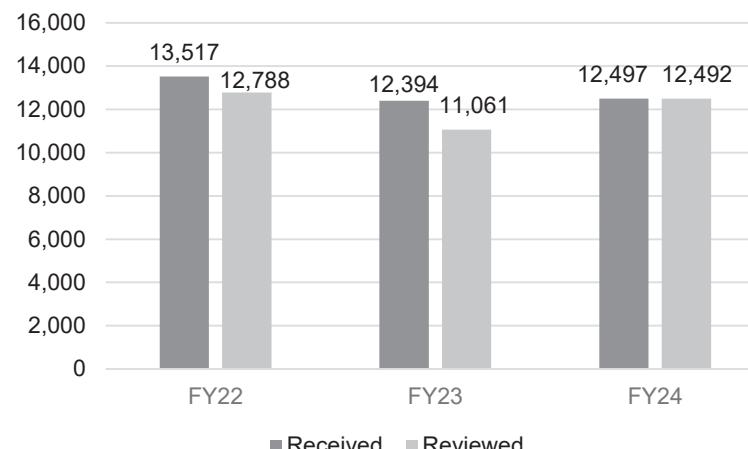
i. Volume of Correspondence Reviewed for Individual Income and Property Tax Credit Claims

The Income Tax Bureau sends out outbound adjustment or billing notices to customers whose return was adjusted or result in a balance due. As a result of that outbound correspondence, the Income Tax Bureau receives and responds to inquiries regarding the customers' individual income tax and property tax credit claims.

Volume of Correspondence Received and Reviewed - Individual Income Tax



Volume of Correspondence Received and Reviewed - Property Tax Credit Claims



PROGRAM DESCRIPTION

Department of Revenue

AB Section(s): 4.010

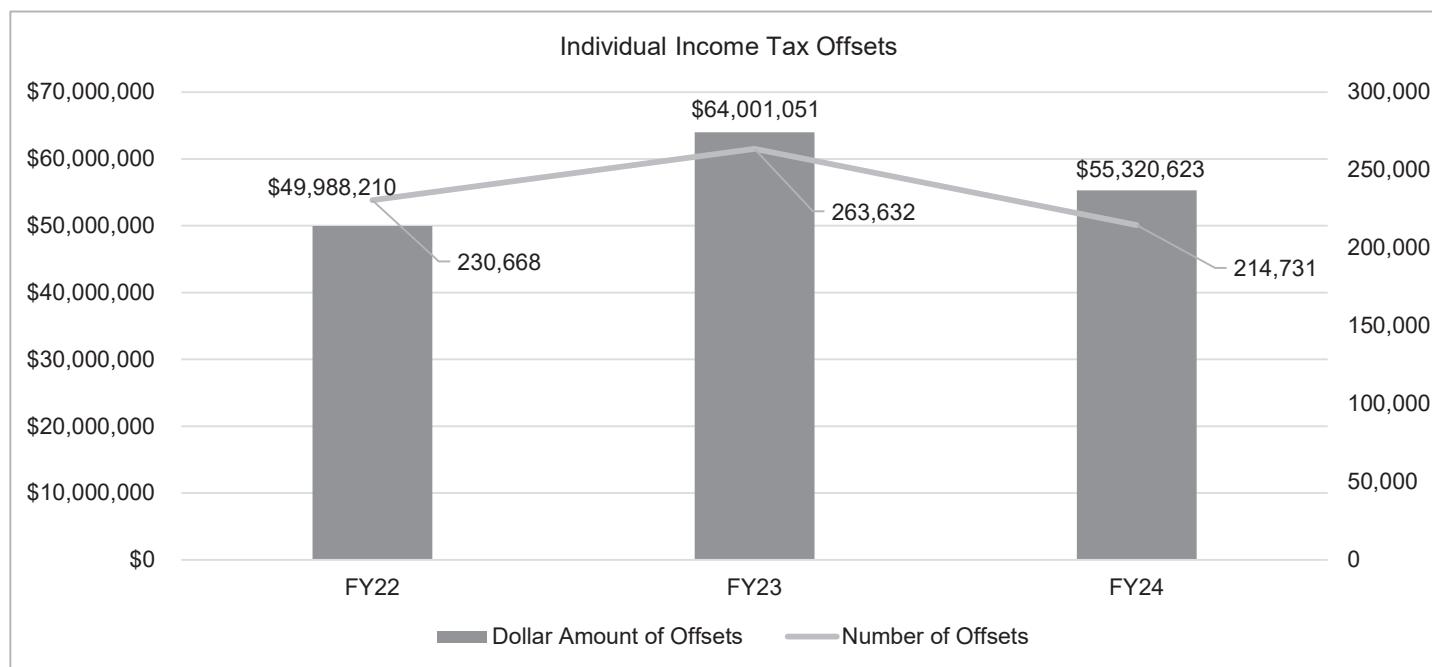
Program Name: Income Tax Bureau

Program is found in the following core budget(s): Taxation

2c. Provide a measure(s) of the program's impact.

ii. Income Tax Offsets - Dollar Impact

The Income Tax Bureau has a reciprocal offset agreement with many state agencies, colleges, and housing authorities that allows the bureau to offset individual income tax refunds if a customer has an existing debt with the partner agency, college, or housing authority.



PROGRAM DESCRIPTION

Department of Revenue

AB Section(s): 4.010

Program Name: Income Tax Bureau

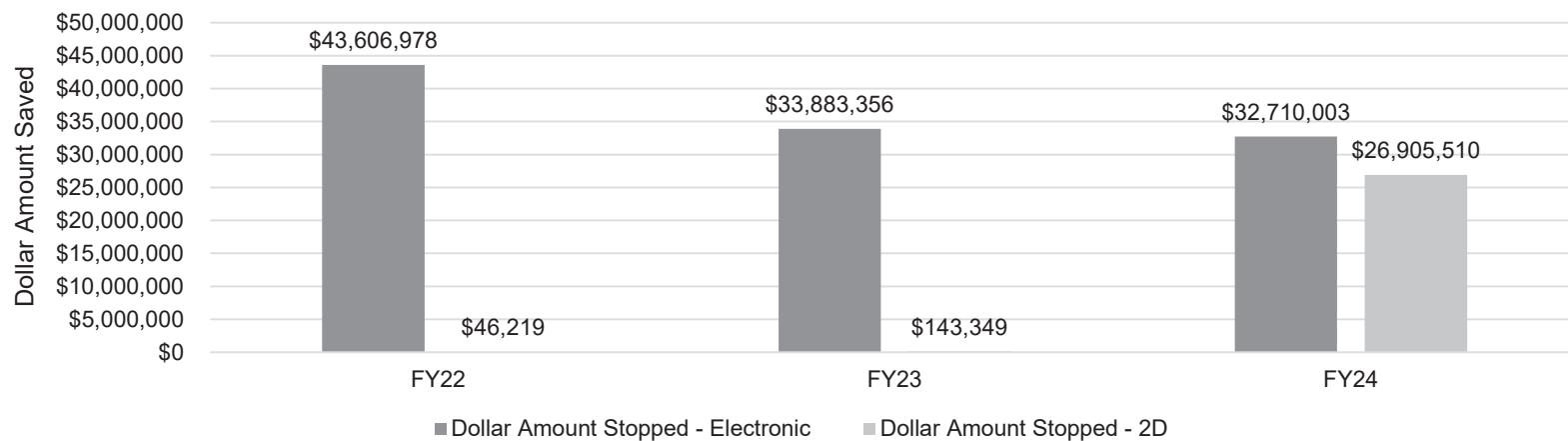
Program is found in the following core budget(s): Taxation

2c. Provide a measure(s) of the program's impact.

iii. Refunds Stopped Due to Fraud - Volume and Dollar Amount

The Income Tax Bureau tracks the volume and dollar amount of refunds stopped following the submission of fraudulent returns. These refunds were identified as noted in 2a.iv. FY24 experienced an increase in fraud dollars stopped associated with 2D (paper filed) returns. This was the result of a small volume of high dollar claims.

Dollar Amount Saved Due to Fraud Analysis



PROGRAM DESCRIPTION

Department of Revenue

AB Section(s): 4.010

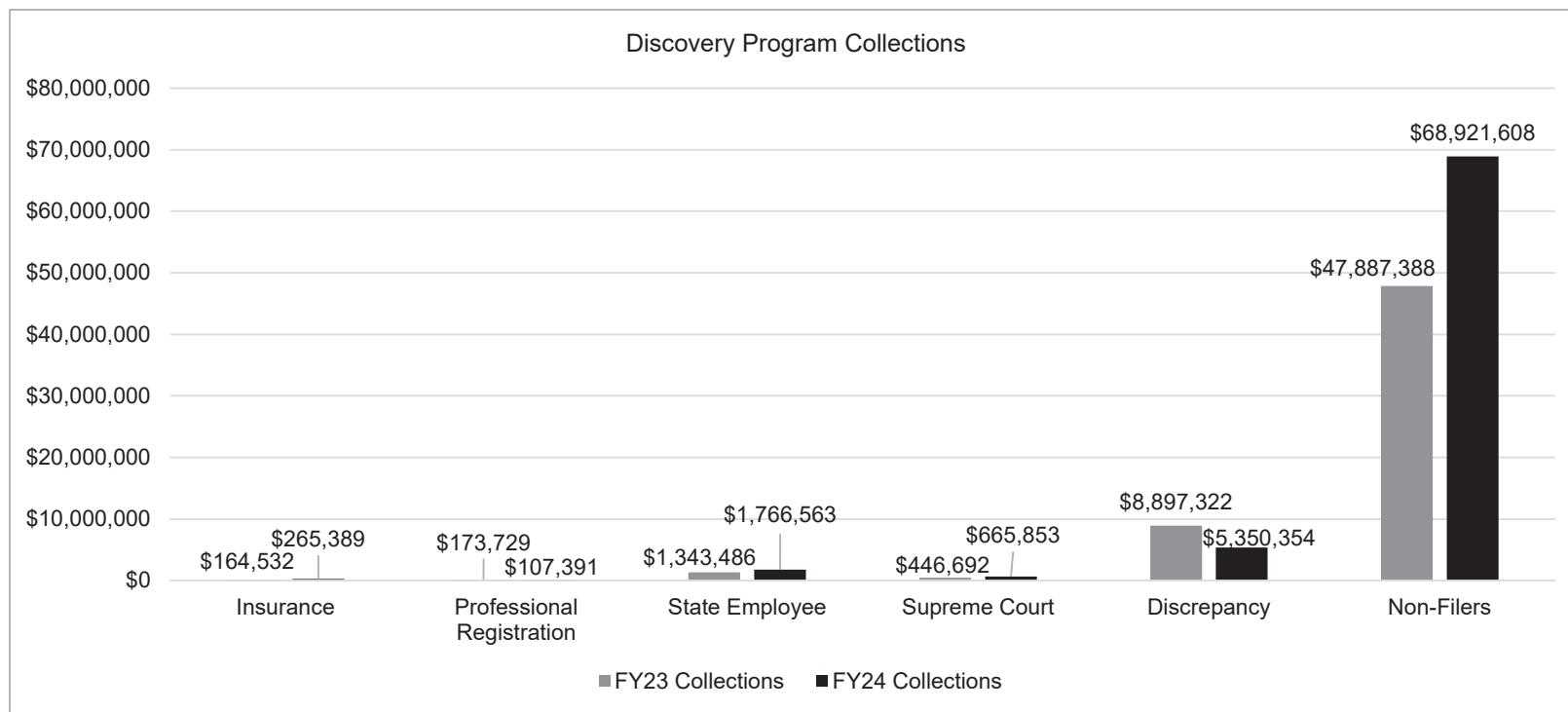
Program Name: Income Tax Bureau

Program is found in the following core budget(s): Taxation

2c. Provide a measure(s) of the program's impact.

iv. Collections from State Employees, Professional Licensees, and Other Discovery Programs

Below is the dollar amount the Department has collected in relation to the activity of the volume of notices issued to state employees, professional licensees, and other discovery programs.



PROGRAM DESCRIPTION	
Department of Revenue	AB Section(s): 4.010
Program Name: Income Tax Bureau	
Program is found in the following core budget(s): Taxation	
2d. Provide a measure(s) of the program's efficiency.	
i. Manually Review Individual Income Returns and Property Tax Credit Claims	
	The Income Tax Bureau continues to evaluate all system edits on an annual basis to ensure the system edits in place are effective. This review identifies efficiencies that result in fewer returns being subject to manual review. However, with the increase in claims of the pass-through entity tax credit and the increase from credits with those with a filing status of head of household and qualifying widow(er), the Department is unable to show these benefits during this fiscal year.
	The Department uses a vendor developed service referred to as the Workload Optimizer. The Workload Optimizer utilizes various data points to identify return edits that can be systematically resolved and do not require manual review, resulting in reduced processing time for the impacted customers. This process systematically resolved audit reasons on 6,389 returns; saving the Income Tax Bureau approximately 116 hours of work.

PROGRAM DESCRIPTION

Department of Revenue

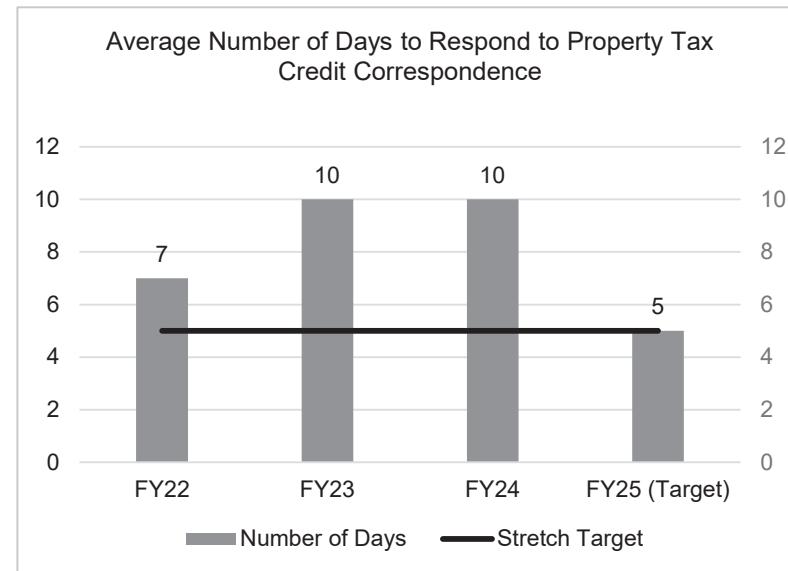
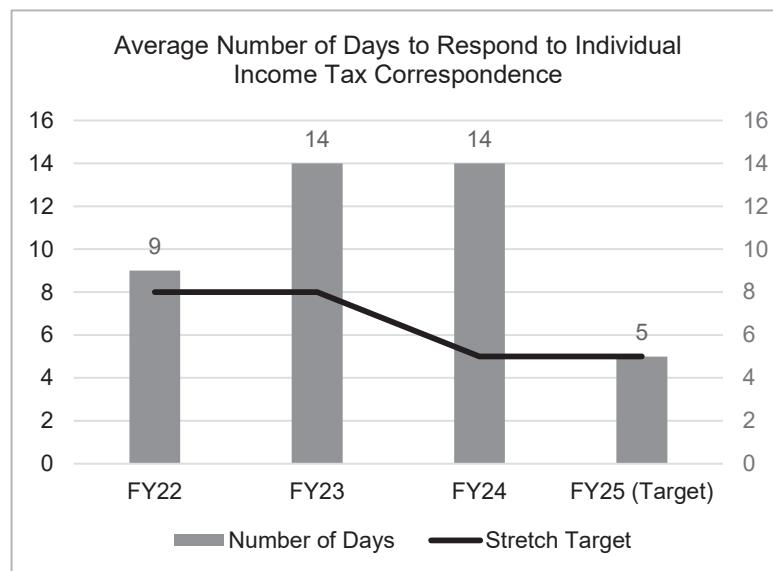
AB Section(s): 4.010

Program Name: Income Tax Bureau

Program is found in the following core budget(s): Taxation

2d. ii. Individual Income and Property Tax Credit Correspondence - Average Number of Days to Respond

The Income Tax Bureau responds to inquiries received regarding the customers' individual income tax and property tax credit claim accounts. During FY24, the Income Tax Bureau cross-educated staff to review returns claiming a miscellaneous tax credit, specifically the pass-through entity tax credit. This caused less staff to be available to work correspondence and the Bureau was not able to reduce the average number of days to respond to correspondence in FY24.



PROGRAM DESCRIPTION

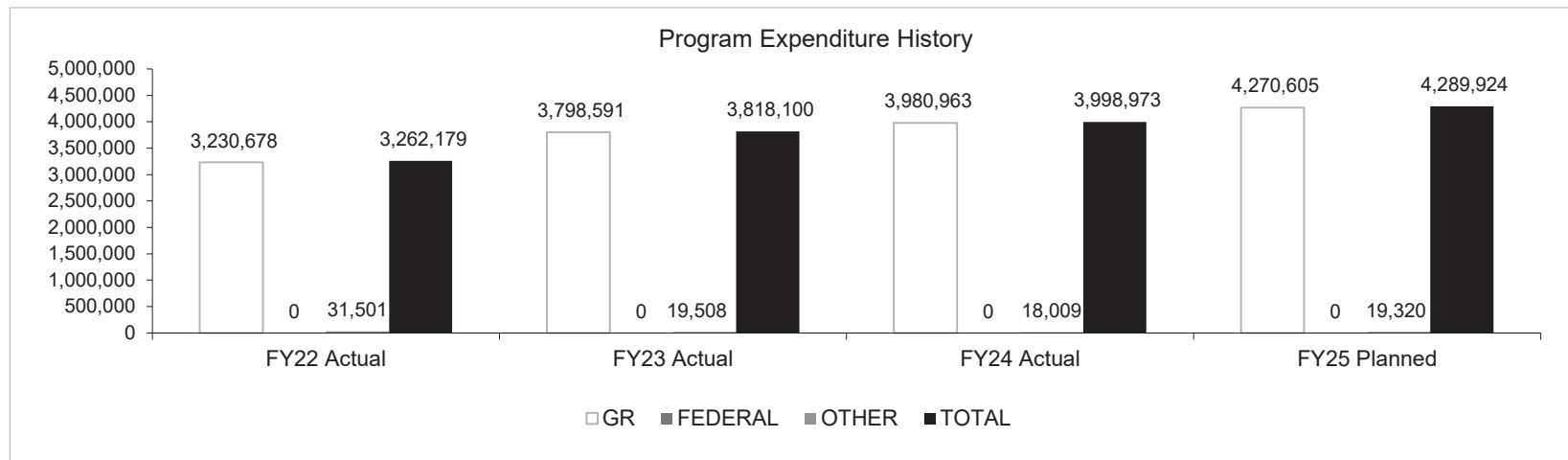
Department of Revenue

AB Section(s): 4.010

Program Name: Income Tax Bureau

Program is found in the following core budget(s): Taxation

3. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year. (Note: Amounts do not include fringe benefit costs.)



4. What are the sources of the "Other" funds?

Conservation Commission Fund (0609), Health Initiatives Fund (0275), Petroleum Inspection Fund (0662), Petroleum Storage Tank Insurance Fund (0585), State Highways and Transportation Department Fund (0644)

5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Missouri Constitution, Article, IV, Sections 12, 15, and 22 and Chapters 32,135,143, and 144 RSMo.

6. Are there federal matching requirements? If yes, please explain.

No

7. Is this a federally mandated program? If yes, please explain.

No

PROGRAM DESCRIPTION

Department of Revenue
Program Name: Processing Bureau
Program is found in the following core budget(s): Taxation

AB Section(s): 4.010

1a. What strategic priority does this program address?

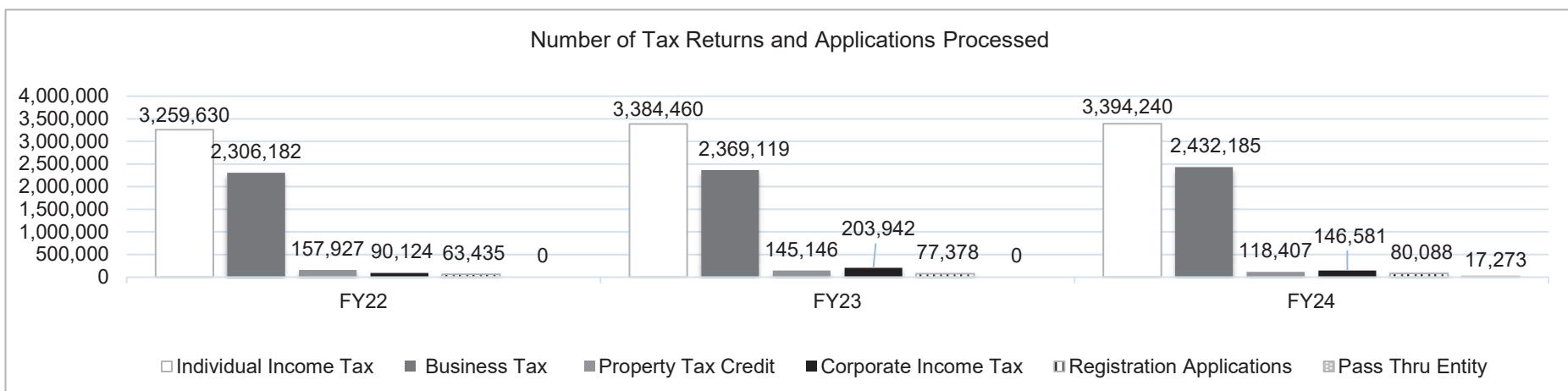
Embed Transformational Purpose; Focus on Service Culture; Team Member Recognition and Engagement; Partnerships; IT Roadmap

1b. What does this program do?

The Processing Bureau administers tax laws to help Missouri citizens and state and local political subdivisions meet their obligations by depositing funds into General Revenue and other state and local funds and processing and editing returns. Tax types include individual and corporate income, pass-through entity, sales and use, employer withholding, insurance, financial institutions, tire and battery fee, property tax credit claims and business registrations.

2a. Provide an activity measure(s) for the program.

1) Number of Tax Returns Processed



Note: Business Tax Note: Business Tax Returns includes the following returns: Sales, Vendor's Use, Consumer's Use, Employer Withholding, Insurance Tax, Financial Institution Tax and Tire and Lead-Acid Battery Fees.

PROGRAM DESCRIPTION

Department of Revenue

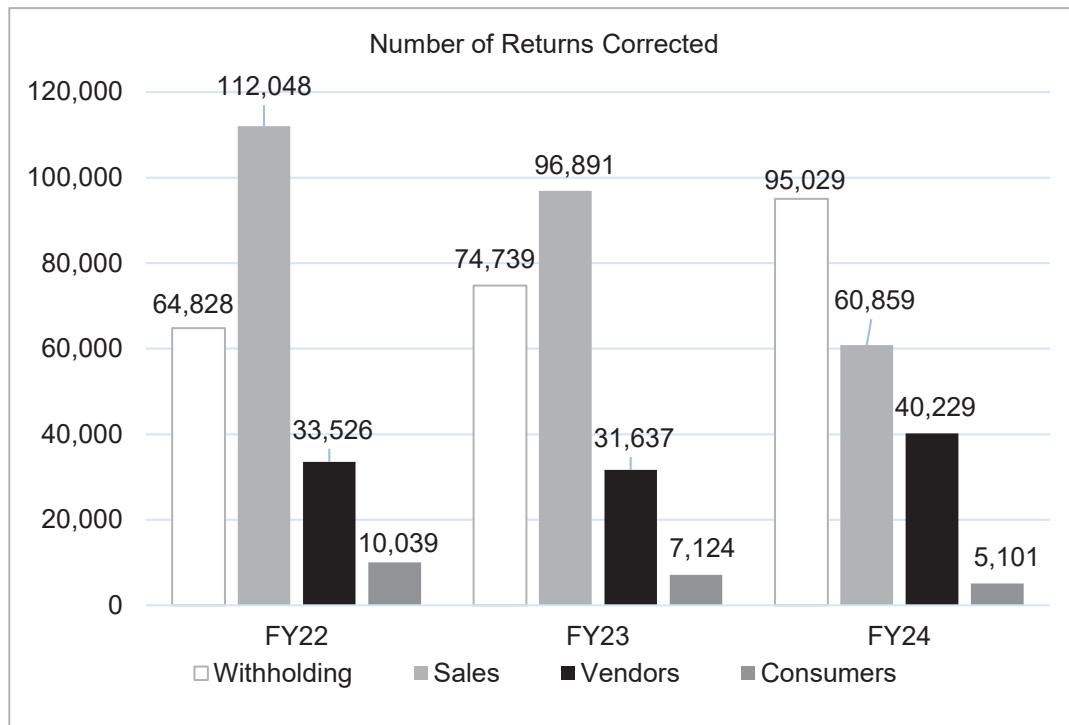
AB Section(s): 4.010

Program Name: Processing Bureau

Program is found in the following core budget(s): Taxation

2a. Provide an activity measure(s) for the program (cont).

2) Number of Sales/ Use / Withholding Returns Corrected



The Processing Bureau reviews and corrects returns that have been flagged by the system for errors (exceptions), such as missing information, taxpayer calculation mistakes, and incorrect jurisdiction or site codes. Correcting these errors allows the taxpayer's return to process with accurate rates and figures.

In FY22, the withholding system changes significantly reduced the number of returns that require manual review. The Bureau's numerous system changes to sales and use tax and the increase in electronic filing continues to reduce the number of daily return errors. The reduction in return errors and additional staffing increased the number of returns reviewed and corrected.

In FY23, the Bureau implemented a system change when adding multiple locations to a sales tax returns. This improvement made the process 33 percent faster. This past fiscal year we seen an 8 percent reduction in the number of returns that required corrections. We also continued outreach efforts to educate and assist businesses with online filing. We had a 3 percent increase in the number of electronically filed Business Tax Returns. We implemented a system upgrade for adding new locations on sales and use tax

In FY24, the Bureau implemented a new outreach program. The goal was to increase electronic filing by 5 percent, and achieved a 3 percent increase this past fiscal year. Customers that have 3 or more sales locations were provided the education and one-on-one customer service assistance to file online.

In FY25, the Business Tax Processing Team will continue to reach out to businesses with 3 or more sales locations in efforts to increase electronic filing to 87 percent. The team will also continue to work with the Business Tax Bureau to analyze returns for processing accuracy.

PROGRAM DESCRIPTION

Department of Revenue

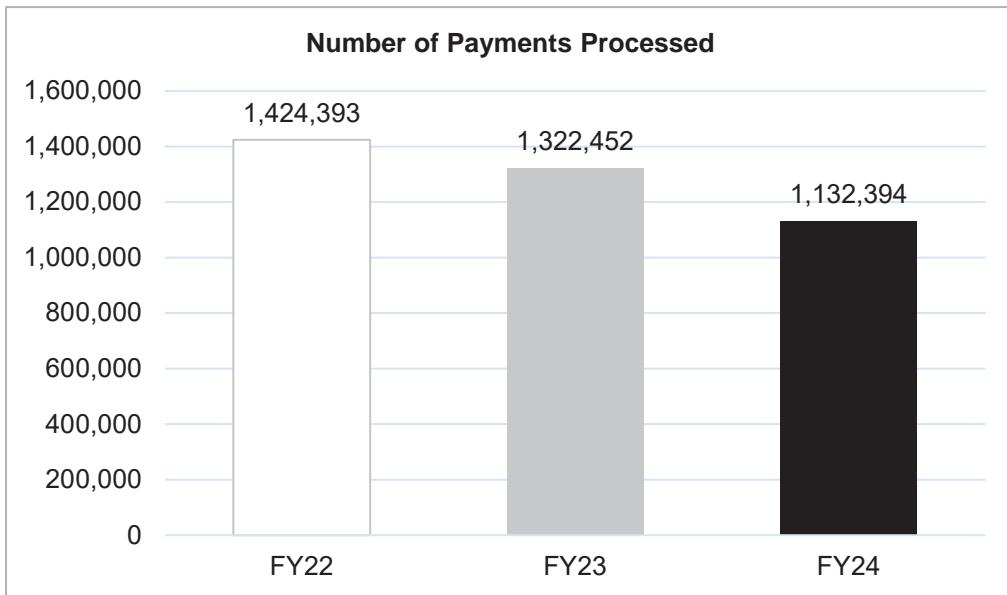
AB Section(s): 4.010

Program Name: Processing Bureau

Program is found in the following core budget(s): Taxation

2a. Provide an activity measure(s) for the program (cont.).

3) Number of Business and Income Tax Payments Processed



The Processing Bureau receives a variety of customer payments such as estimated tax payments, returns and billing payments.

PROGRAM DESCRIPTION

Department of Revenue

Program Name: Processing Bureau

Program is found in the following core budget(s): Taxation

2b. Provide a measure(s) of the program's quality.

Business Tax returns are sent to a suspended status if the return has exceptions (errors). These exceptions must be reviewed and corrected before the return can be posted or fully processed. Exceptions include missing information, taxpayer calculation mistakes, incorrect jurisdictions or site codes, or taxpayers not registering properly before filing their return.

In FY22, we aggressively promote electronic filing options and outreach efforts to educate and assist businesses with online filing which led to a 11 percent increase in sales and use tax returns received electronically and fewer incoming exceptions.

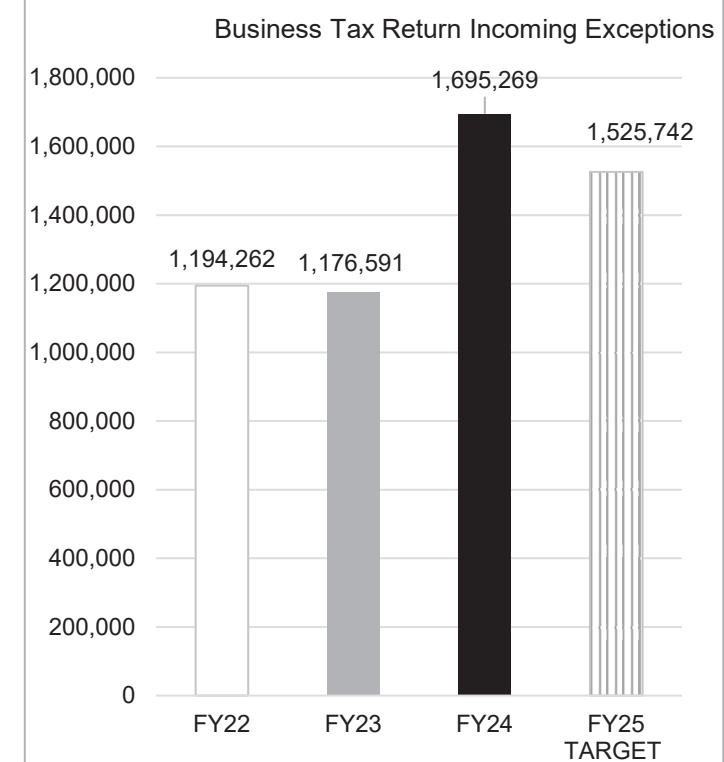
In FY23, we continued outreach efforts to educate and assist businesses with online filing. We had a 3 percent increase in the number of electronically filed Business Tax Returns. We implemented a system upgrade for adding new locations on sales and use tax returns.

In FY24, we continued our outreach program and reached over 2,289 customers. We received a 57 percent response rate. The Bureau continues to work on reducing the total number of exceptions by 10 percent.

- There was an increase in the number of incoming exceptions received in FY24 due to two electronic files uploaded incorrectly, which generated additional exceptions.

In FY25, we will continue our focus on reducing the total number of exceptions by 10 percent. We will focus on working with our customers to ensure they understand how to accurately file and using the correct locations and jurisdictions.

AB Section(s): 4.010



PROGRAM DESCRIPTION

Department of Revenue

AB Section(s): 4.010

Program Name: Processing Bureau

Program is found in the following core budget(s): Taxation

2c. Provide a measure(s) of the program's impact.

The below illustrates the state and non-state funds included in the daily deposits.

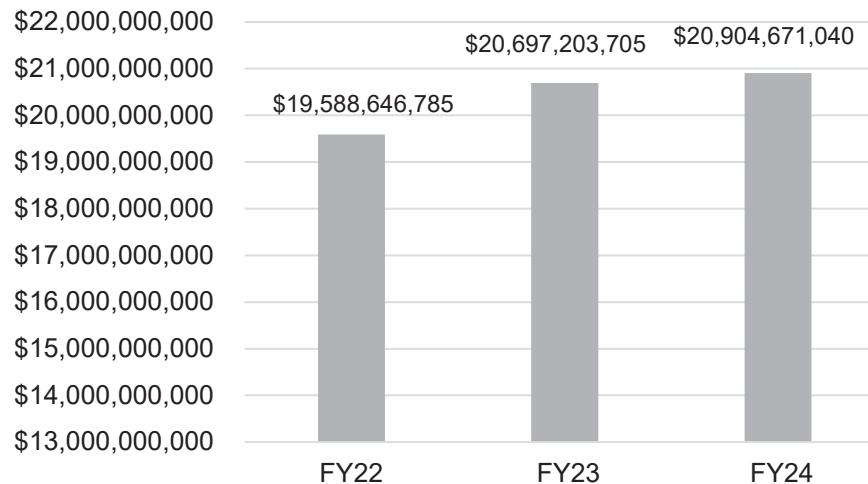
State Accounts

Corporate Tax
Franchise Tax
Withholding Tax
Individual Tax
Pass-Through Entity
Fiduciary Tax
Tire/Battery Tax
Insurance
 Captive
 Premium
 Surplus Lines
 Worker's Comp
Credit Annual Report Penalty
Sales - GR

Non-State Accounts

Insurance
County Stock
Financial Institutions
Sales
Bankruptcy Clearing
Bank Holding
Compliance Clearing
Splits
HB 1456 (MO 911 Trust Fund)

Amount Deposited into State and Non-State Funds



In FY23, there was a 6 percent increase overall in the amount deposited. In FY24, there was a 1 percent increase overall in the amount deposited.

PROGRAM DESCRIPTION

Department of Revenue

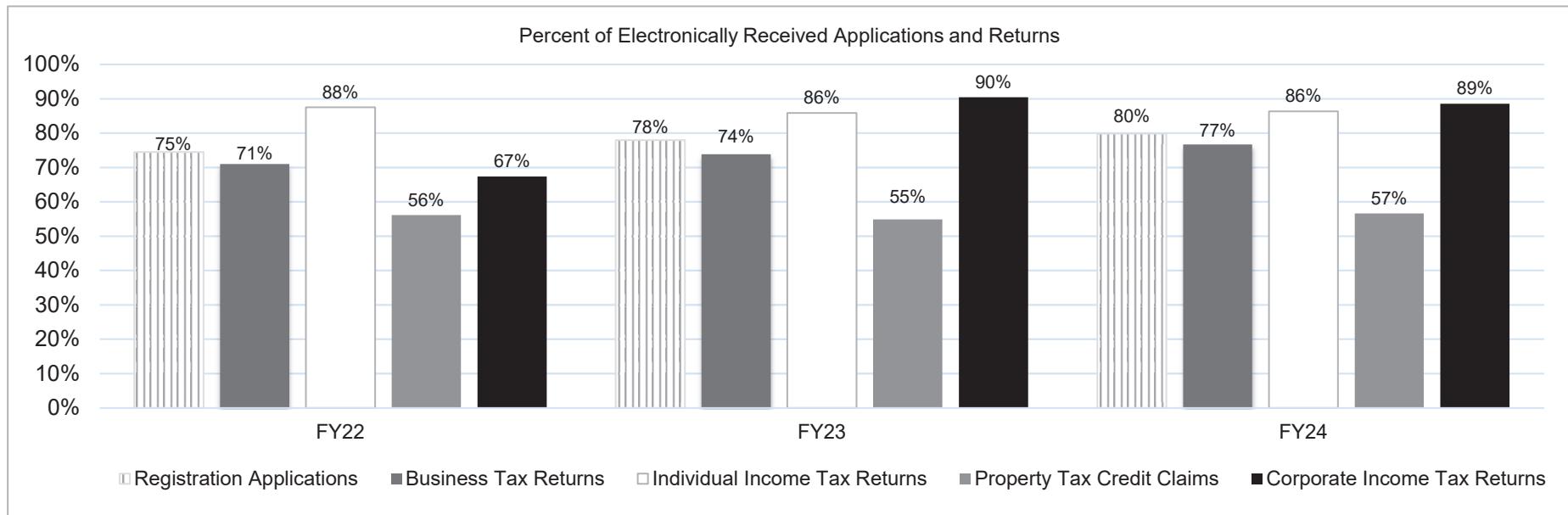
AB Section(s): 4.010

Program Name: Processing Bureau

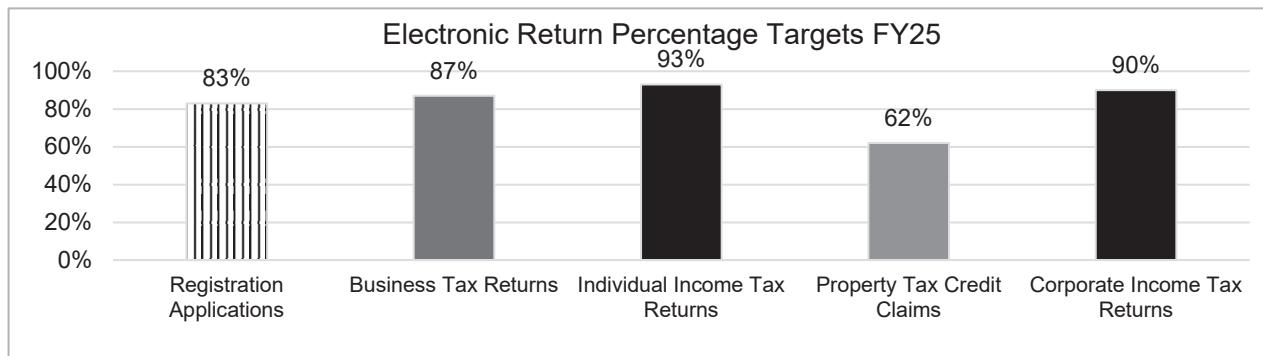
Program is found in the following core budget(s): Taxation

2d. Provide a measure(s) of the program's efficiency.

Percentage of Returns and Applications Received Electronically



FY25 Targets: Increase the percentage of Electronically Received Applications and Returns



Electronic returns require less manual intervention and have a lower error rate. Electronic business returns pre-populate specific jurisdiction and site codes and auto-calculates certain fields resulting in fewer manual calculations and typographical errors. The Department maintains an online Property Tax Credit Application to provide an electronic method of filing submitting a claim when not also filing an individual return.

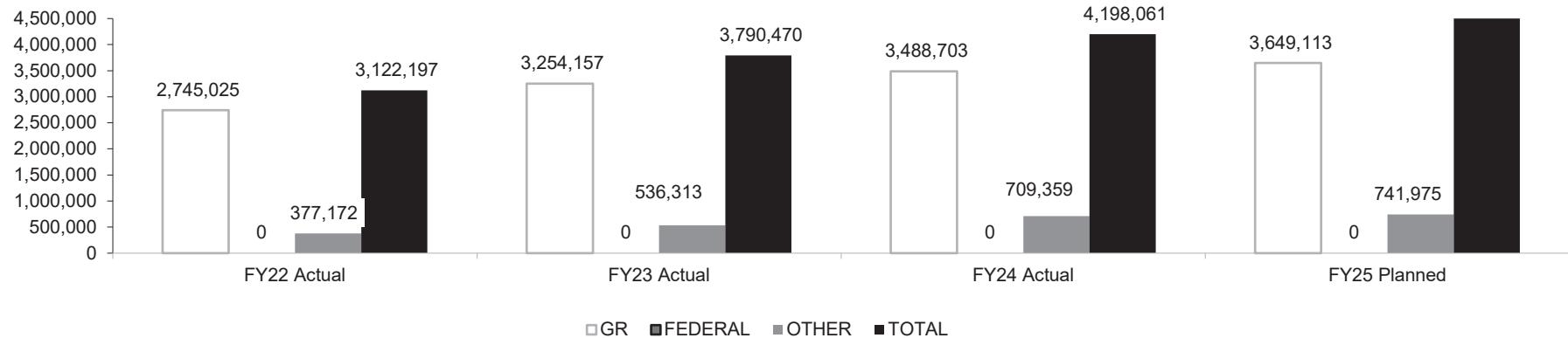
PROGRAM DESCRIPTION

Department of Revenue
Program Name: Processing Bureau
Program is found in the following core budget(s): Taxation

AB Section(s): 4.010

3. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year. (Note: Amounts do not include fringe benefit costs.)

Program Expenditure History



4. What are the sources of the "Other" funds?

N/A

5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

N/A

6. Are there federal matching requirements? If yes, please explain.

N/A

7. Is this a federally mandated program? If yes, please explain.

N/A

PROGRAM DESCRIPTION

Department of Revenue
Program Name - Integrated Tax System
Program is found in the following core budget(s): Integrated Tax System

AB Section(s): 4.010

1a. What strategic priority does this program address?

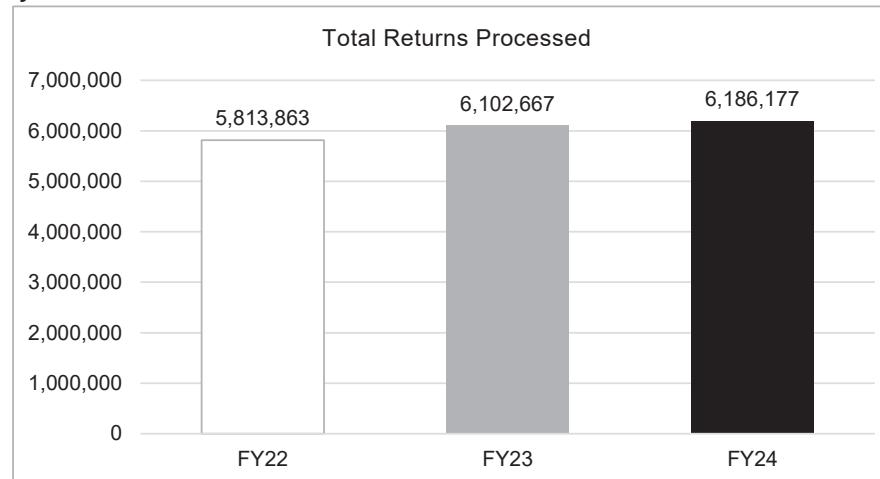
Embed Transformational Purpose; Focus on Service Culture; IT Roadmap

1b. What does this program do?

The Integrated Tax System enables the Department to administer the following tax types: Tire and Battery, Sales, Use, Employer Withholding, Individual Income (including Property Tax Credits), Pass-Through Entity and Corporate Income. These tax types comprise the majority of the state's collections for general revenue. In addition, the system allows businesses to register for sales and use tax collection and generates the necessary licenses and documents that businesses need to operate retail businesses in Missouri. Administrative functions include maintaining all financial and administrative activities for each taxpayer, generating notices, collections functions and creating the files needed to generate sales and use tax distributions to all local political subdivisions that have enacted a sales or use tax.

2a. Provide an activity measure(s) for the program.

i. Returns Processed in the Integrated Tax System



PROGRAM DESCRIPTION

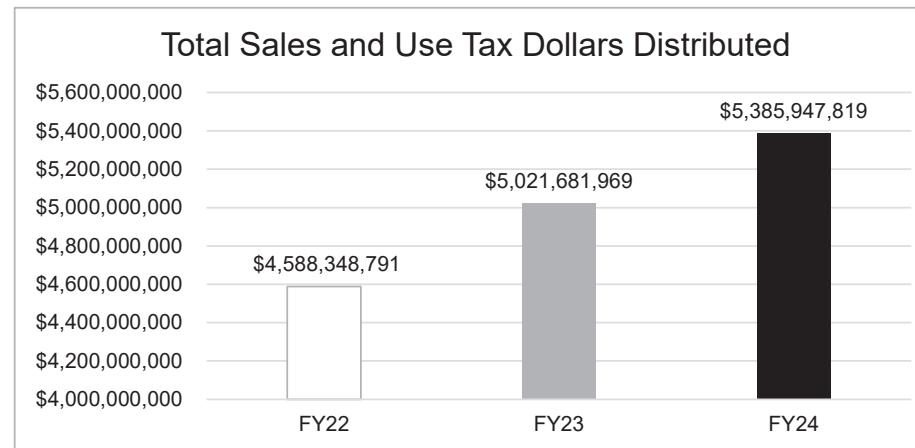
Department of Revenue

AB Section(s): 4.010

Program Name - Integrated Tax System

Program is found in the following core budget(s): Integrated Tax System

ii. Sales / Use Tax Money Distributed to Local Jurisdictions through the Integrated Tax System



PROGRAM DESCRIPTION

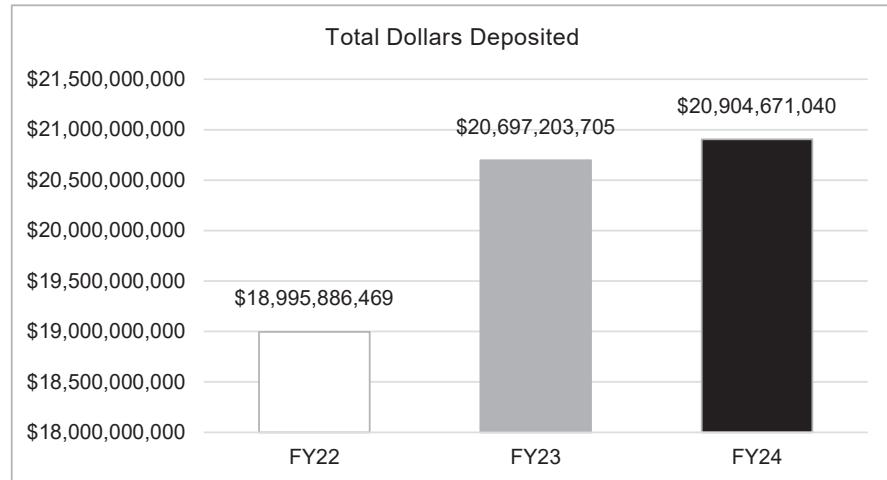
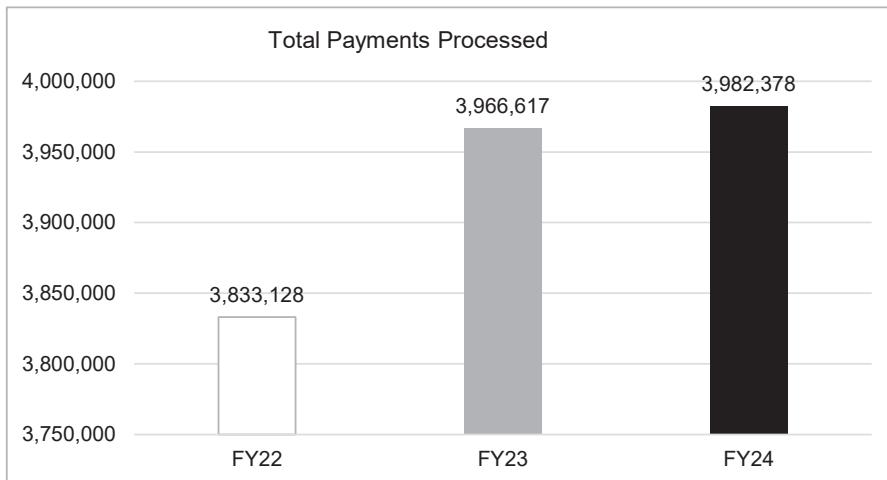
Department of Revenue

AB Section(s): 4.010

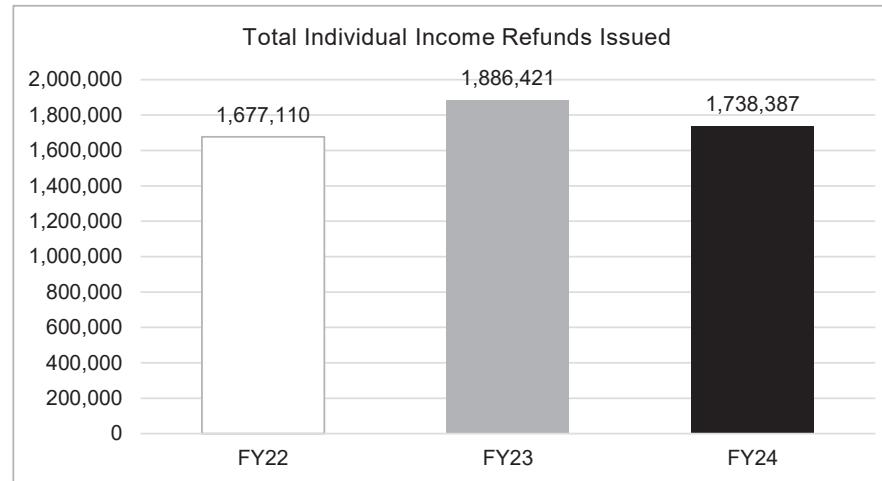
Program Name - Integrated Tax System

Program is found in the following core budget(s): Integrated Tax System

iii. Payments and Dollars Deposited through the Integrated Tax System



iv. Refunds Issued through the Integrated Tax System



PROGRAM DESCRIPTION

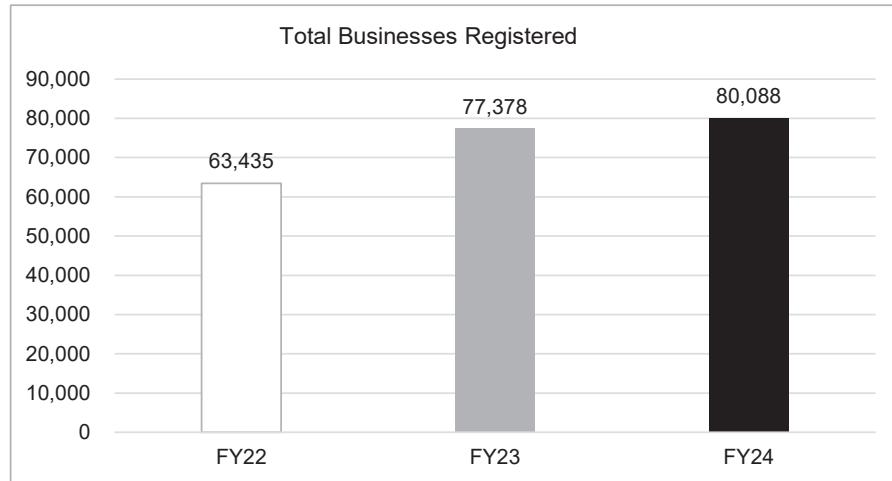
Department of Revenue

AB Section(s): 4.010

Program Name - Integrated Tax System

Program is found in the following core budget(s): Integrated Tax System

v. Businesses Registered through the Integrated Tax System



PROGRAM DESCRIPTION

Department of Revenue

AB Section(s): 4.010

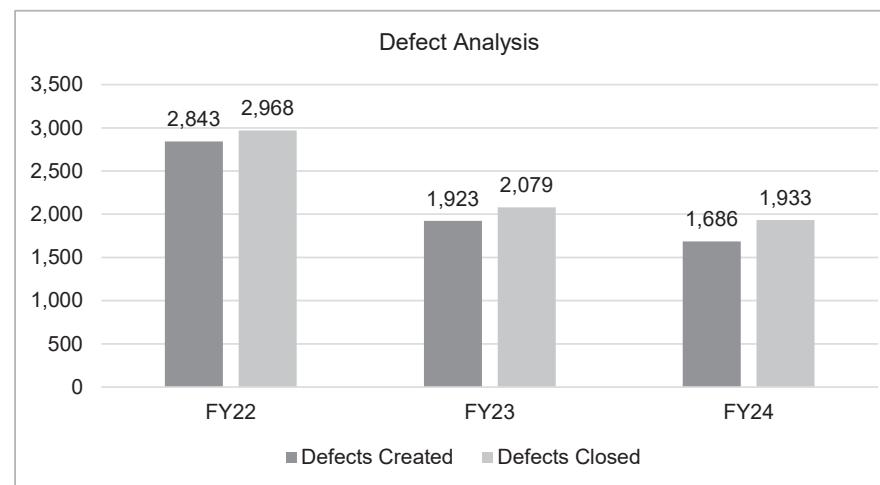
Program Name - Integrated Tax System

Program is found in the following core budget(s): Integrated Tax System

2b. Provide a measure(s) of the program's quality.

i. Defect Analysis

The Integrated Tax System is made up of hundreds of thousands of separate business rules. The Department and the vendor have spent more than nine years creating the various functions, coding them, and ensuring the correct operational output. Throughout the implementation of the integrated system, we have encountered many defects. A defect may be as small as a comma in the incorrect place on a notice or as large as a tax rate that impacts millions of filers. Changes needed to implement new legislation and enhanced functionality are also tracked as defects. The data below reflects the amount of defects created and closed in the applicable years.



PROGRAM DESCRIPTION

Department of Revenue

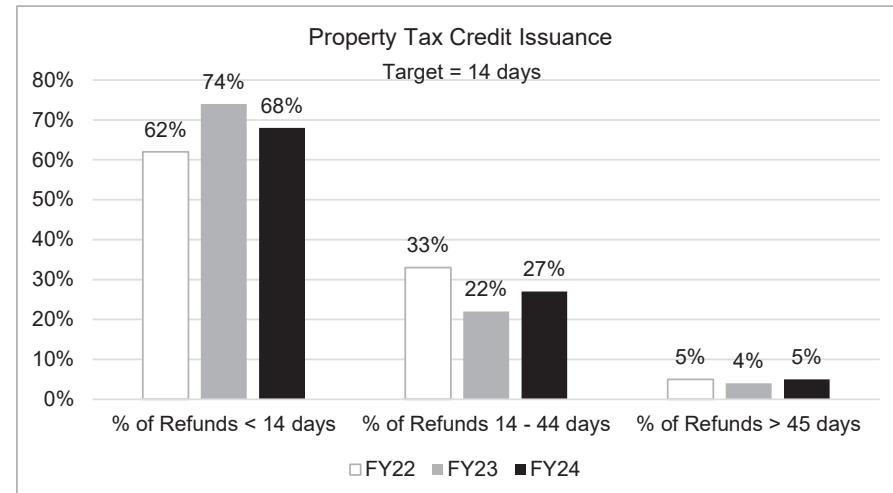
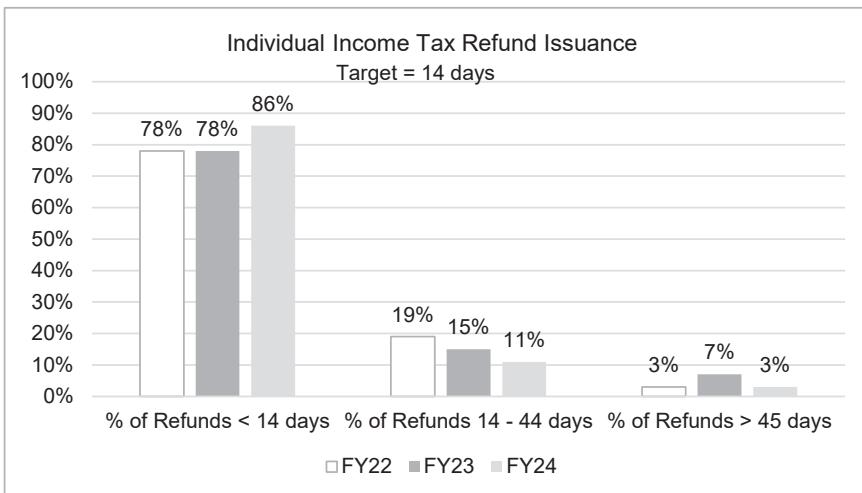
AB Section(s): 4.010

Program Name - Integrated Tax System

Program is found in the following core budget(s): Integrated Tax System

ii. Refund Turnaround Time

One of the most important functions the Integrated Tax System plays is the timely issuance of individual income tax refunds and property tax credits. Each year the Department receives approximately 1.9 million refund claims. Approximately 11 percent of the refund claims require a manual review, which can delay the issuance. The information below reflects the volumes and percentages of refunds issued in the applicable timeframes.



PROGRAM DESCRIPTION

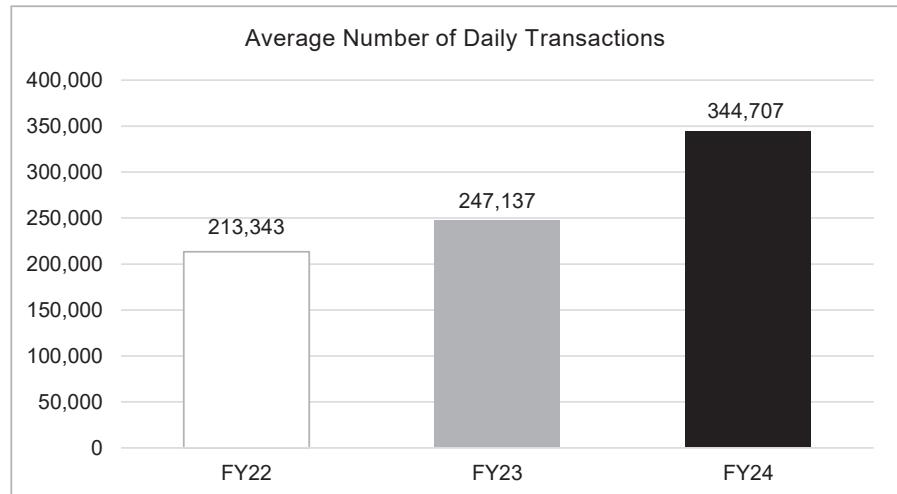
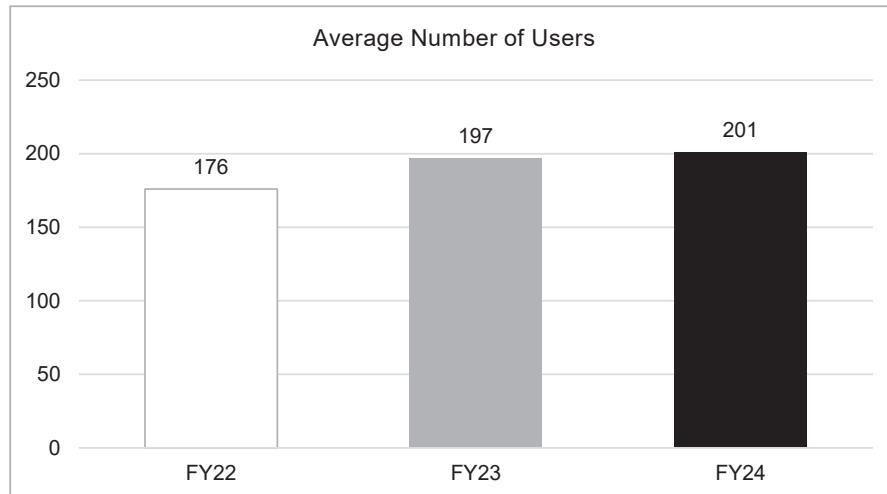
Department of Revenue

AB Section(s): 4.010

Program Name - Integrated Tax System

Program is found in the following core budget(s): Integrated Tax System

2c. Provide a measure(s) of the program's impact.



PROGRAM DESCRIPTION

Department of Revenue

AB Section(s): 4.010

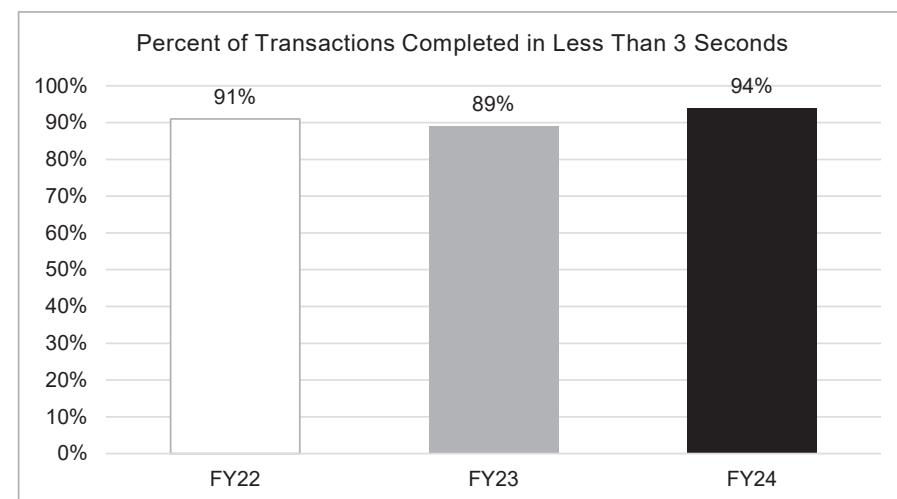
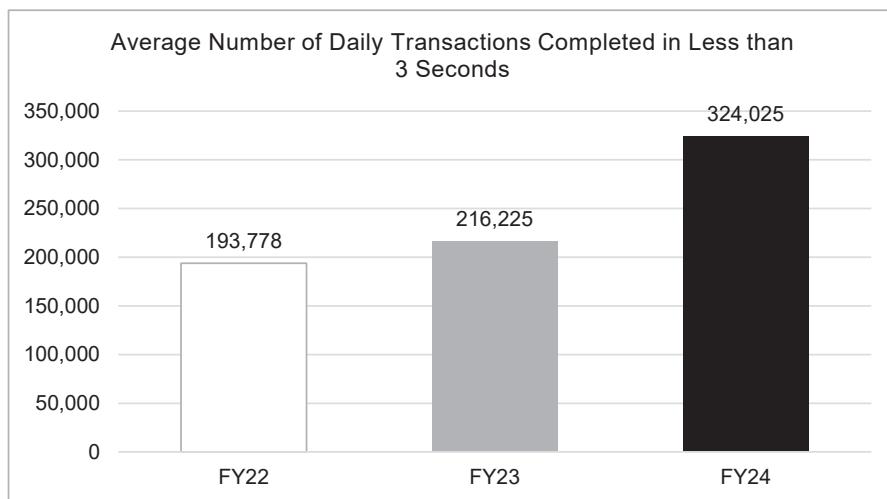
Program Name - Integrated Tax System

Program is found in the following core budget(s): Integrated Tax System

2d. Provide a measure(s) of the program's efficiency.

There are a number of components of the Integrated Tax System that make it more efficient than our previous legacy systems. Items include:

- 1) Reduced time to educate new employees: Nearly 50 percent decrease, in certain situations.
- 2) Ability to cross educate staff in multiple areas of the system: The Department's cross training efforts have continued to increase each year since the inception of the integrated system.
- 3) Ability to target work based on skill level of the team member: The Department is able to utilize temporary staff to review sales tax exceptions.
- 4) Electronic images of tax returns, payments, and correspondence available in host system: This will ultimately reduce the total paper stored by the Department and reduce handoffs between work areas.
- 5) Tax staff can easily extract data from the system: This lessens our dependence on IT staff and provides us a greater ability to improve processes.



PROGRAM DESCRIPTION

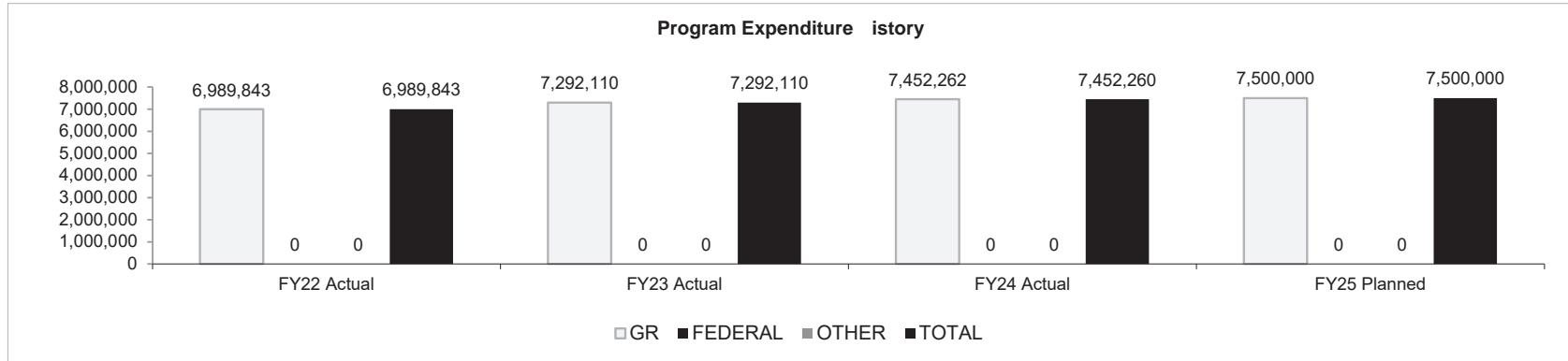
Department of Revenue

AB Section(s): 4.010

Program Name - Integrated Tax System

Program is found in the following core budget(s): Integrated Tax System

3. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year. (Note: Amounts do not include fringe benefit costs.)



4. What are the sources of the "Other" funds?

N/A

5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

N/A

6. Are there federal matching requirements? If yes, please explain.

No

7. Is this a federally mandated program? If yes, please explain.

No

PROGRAM DESCRIPTION

Department of Revenue

AB Section(s): 4.005, 4.015

Program Name - Driver License Bureau

Program is found in the following core budget(s): Highway Collections and Motor Vehicle and Driver Licensing Division

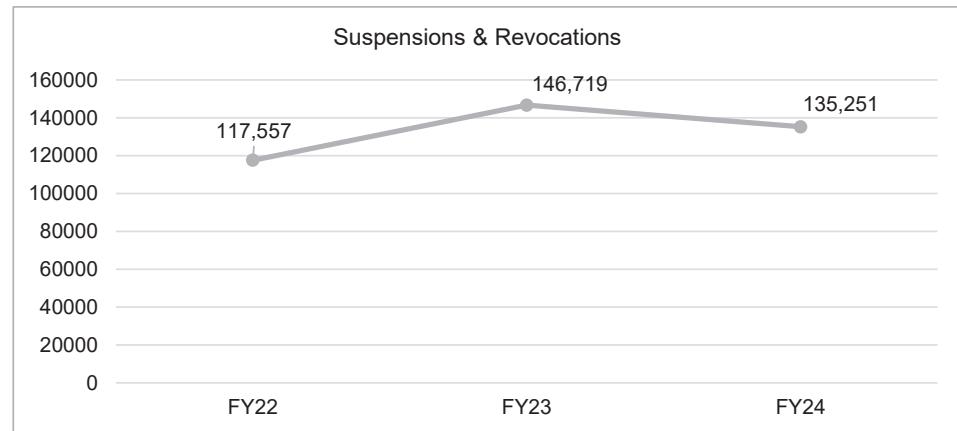
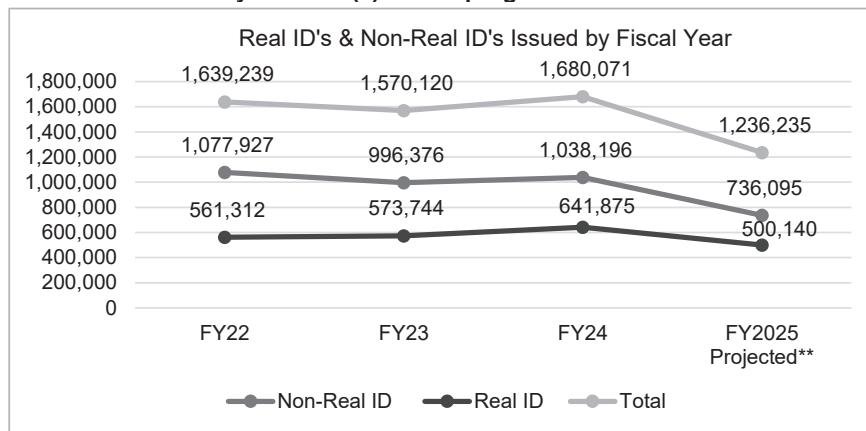
1a. What strategic priority does this program address?

Embed Transformational Purpose; Focus on Service Culture; Team Member Recognition and Engagement; Partnerships; IT Roadmap

1b. What does this program do?

The Driver License Bureau (DLB) issues driver licenses and permits to help serve those citizens who operate a motor vehicle and issues non-driver identification cards to those citizens who need proof of identification. In addition to issuance, DLB may suspend, revoke, and deny driving privileges

2a. Provide an activity measure(s) for the program.



PROGRAM DESCRIPTION

Department of Revenue

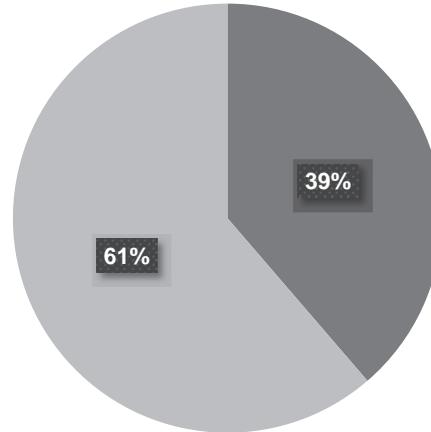
AB Section(s): 4.005, 4.015

Program Name - Driver License Bureau

Program is found in the following core budget(s): Highway Collections and Motor Vehicle and Driver Licensing Division

2b. Provide a measure(s) of the program's quality.

Real vs. NonReal ID's



■ Total Real ID ■ Total Non Real ID

Real ID Effective Date is May 7, 2025

PROGRAM DESCRIPTION

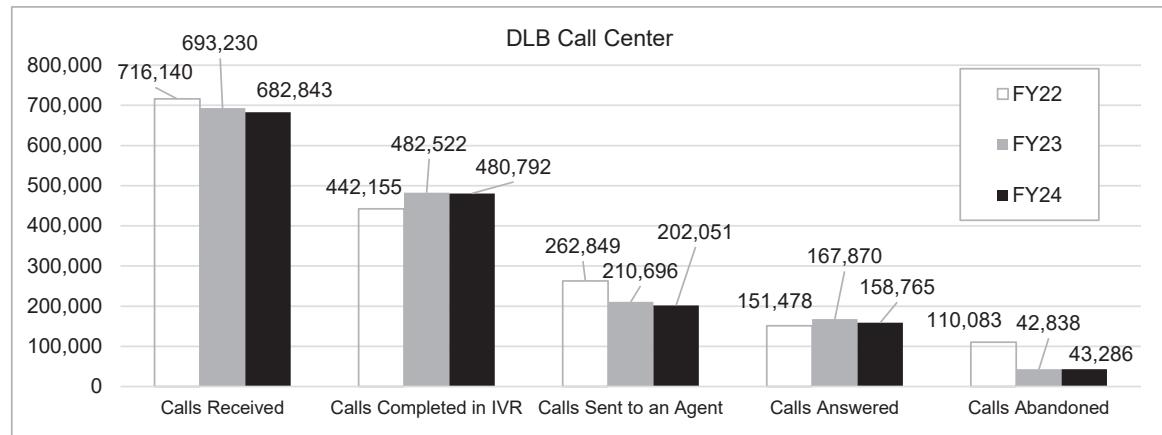
Department of Revenue

AB Section(s): 4.005, 4.015

Program Name - Driver License Bureau

Program is found in the following core budget(s): Highway Collections and Motor Vehicle and Driver Licensing Division

In FY21, the Department implemented a new phone system with an enhanced Interactive Voice Response (IVR) which has decreased the number of calls routed to an agent. The new system allows more calls to be handled through our IVR, improving customer service and reducing the number of calls to team members. In FY24, approximately 70 percent of calls received by DLB were completed within the new IVR. Another feature of the phone system is a virtual hold. Callers with a wait time over 10 minutes have the option to receive a callback in lieu of waiting on the line. The system holds their place in line and initiates the call back to the customer when it is their turn. The callback function has aided in the reduction of abandoned calls. On 12/21/22, the Department began promoting the option to chat with a live agent utilizing our current chatbot, DORA. In FY24, DLB answered 14,953 chats with an average wait time of 38 seconds.



PROGRAM DESCRIPTION

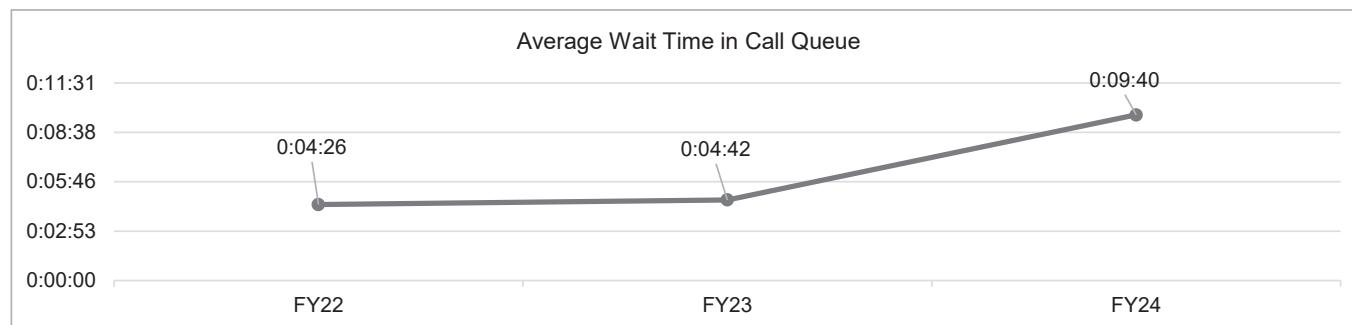
Department of Revenue

AB Section(s): 4.005, 4.015

Program Name - Driver License Bureau

Program is found in the following core budget(s): Highway Collections and Motor Vehicle and Driver Licensing Division

2b. Provide a measure(s) of the program's quality. (cont'd)



In FY24, the average turnaround time for an accident case to be processed is 60 to 65 days before the suspension would go effective. Within the 60-65 days, several different processes occur. The Department is statutorily required to enter the accident report within 10 days of being received; we average 7-8 days. There are three types of accident suspensions: Failure to File Accident Report, which suspends the license if we have not received a response within 15 days from request; Mandatory Insurance Suspension, which suspends the license 30 days from the date the notice was mailed; and Mandatory Insurance/Security Suspension, which suspends the license 30 days from the date the notice was mailed.

Within the Accidents and Reinstatement section of DLB, Failure to Pay Judgments are keyed within 3 to 5 days and action is active 5 days after being keyed. Out of state judgments and accidents are keyed within 5 days and action is active 3 days after being keyed. Failure to maintain financial responsibility suspensions are keyed daily, a notice is generated the following day, and the suspension becomes effective 15 days from the notice.

The Department is statutorily required to add a conviction to a driving records within 7 days from the date of conviction, 10 days for CDL. We average a 2 to 3 day turnaround time for adding convictions to driver records. Administrative Alcohol suspensions and revocations, Chemical Refusal revocations, Abuse and Lose suspensions, Minor in Possession and Zero Tolerance suspensions are all keyed within 7-10 days of being received. Child Support Suspensions are keyed daily.

PROGRAM DESCRIPTION

Department of Revenue

AB Section(s): 4.005, 4.015

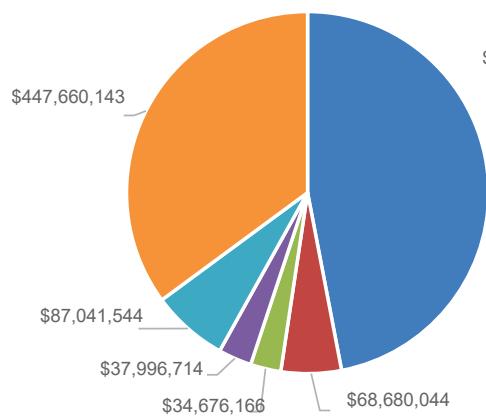
Program Name - Driver License Bureau

Program is found in the following core budget(s): Highway Collections and Motor Vehicle and Driver Licensing Division

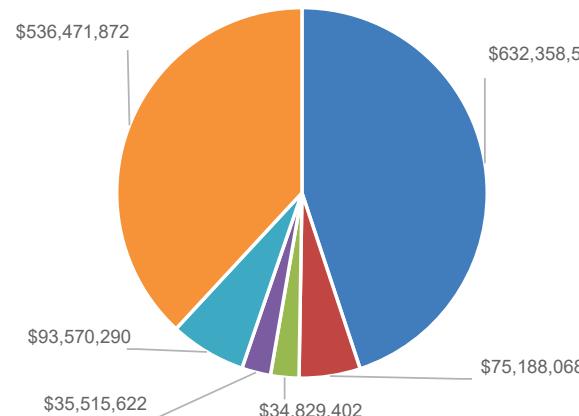
2c. Provide a measure(s) of the program's impact.

The Department collects and distributes motor vehicle and driver license taxes and fees that fund various state, city and county programs.

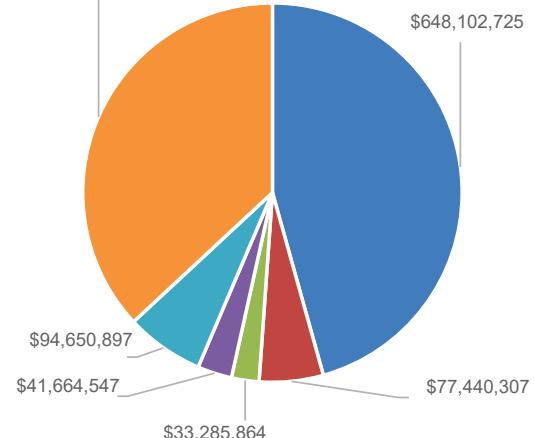
FY22



FY23



FY24

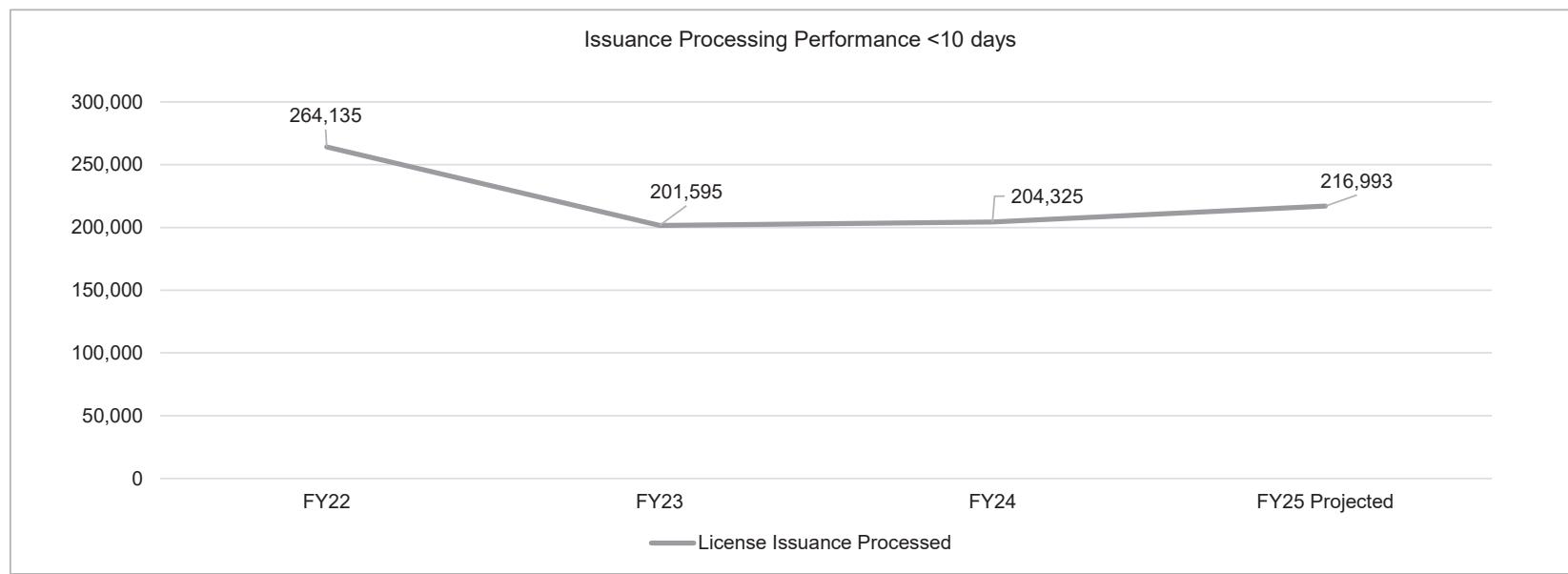


■ Highway Related ■ Education ■ General Revenue ■ Conservation & Natural Resources & Other ■ Motor Fuel ■ Local Sales and Use

Note: Combined Conservation, Natural Resources and Other

PROGRAM DESCRIPTION**Department of Revenue****AB Section(s): 4.005, 4.015****Program Name - Driver License Bureau****Program is found in the following core budget(s): Highway Collections and Motor Vehicle and Driver Licensing Division****2d. Provide a measure(s) of the program's efficiency.**

DLB has staff who process the work received for Issuance, Reinstatement, Suspensions, Revocations, and Accidents. DLB is efficiently using the team members to process the work received within the required timeframes.



PROGRAM DESCRIPTION

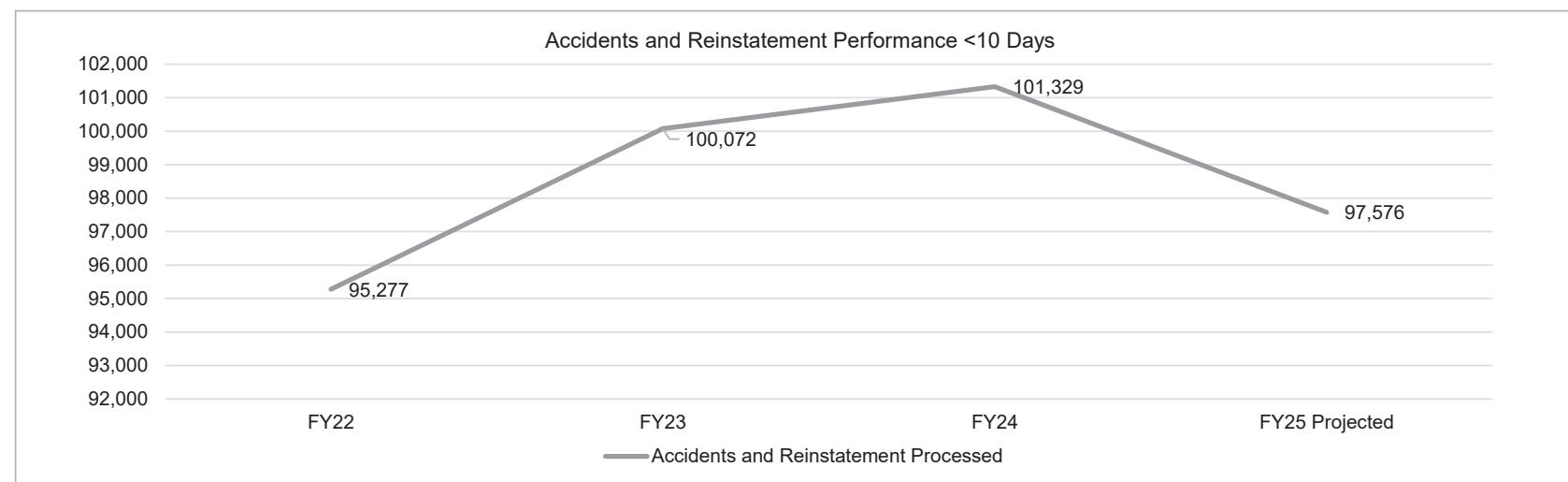
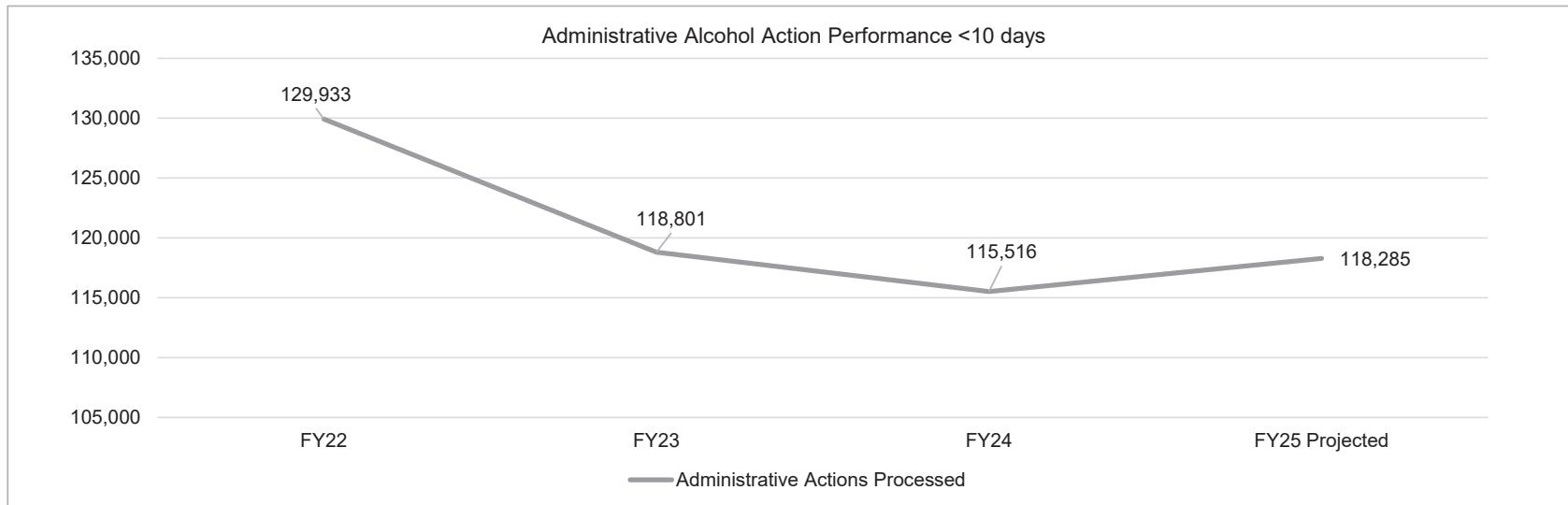
Department of Revenue

AB Section(s): 4.005, 4.015

Program Name - Driver License Bureau

Program is found in the following core budget(s): Highway Collections and Motor Vehicle and Driver Licensing Division

2d. Provide a measure(s) of the program's efficiency (cont'd)



PROGRAM DESCRIPTION

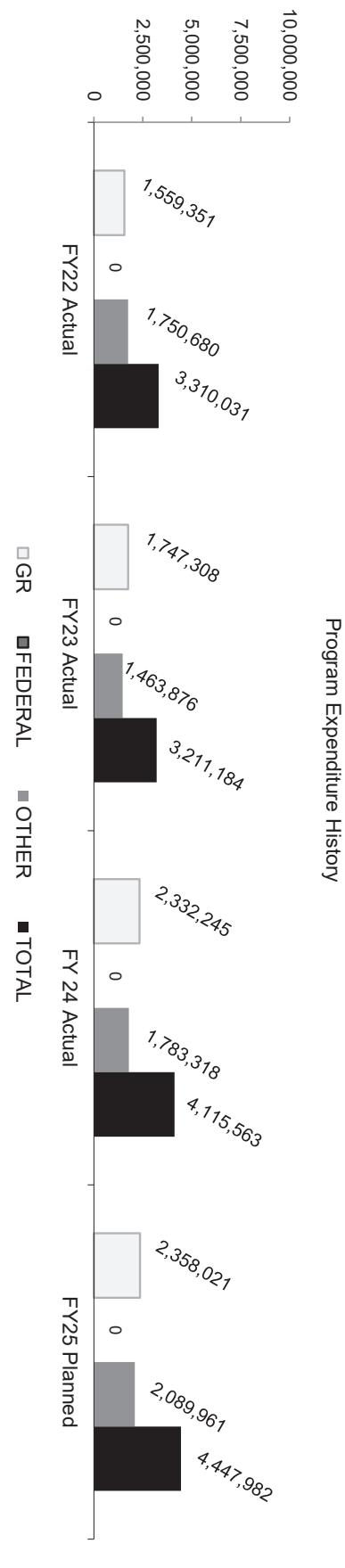
Department of Revenue

Program Name - Driver License Bureau

Program is found in the following core budget(s): Highway Collections and Motor Vehicle and Driver Licensing Division

AB Section(s): 4.005, 4.015

3. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year. (Note: Amounts do not include fringe benefit costs.)



4. What are the sources of the "Other" funds?

State Highways and Transportation Department Fund (0644)

5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Missouri Constitution, Article IV, Sections 12, 15, 22, and 30; Chapters 32, 144, 154, 301, 302, 303, 306

6. Are there federal matching requirements? If yes, please explain.

No

7. Is this a federally mandated program? If yes, please explain.

No

PROGRAM DESCRIPTION

Department of Revenue

AB Section(s): 4.005, 4.015

Program Name - License Offices Bureau

Program is found in the following core budget(s): Motor Vehicle and Driver Licensing Division and Highway Fund

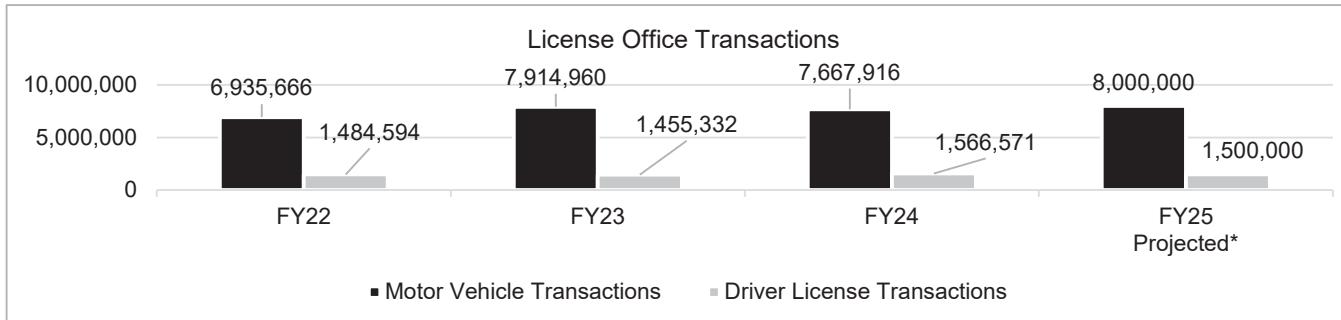
1a. What strategic priority does this program address?

Embed Transformational Purpose; Focus on Service Culture; Team Member Recognition and Engagement; Partnerships; IT Roadmap

1b. What does this program do?

The License Offices Bureau (LOB), oversees Missouri License Offices throughout the state to help Missourians that need to complete motor vehicle or driver licensing transactions by ensuring the offices are complying with contract requirements and fulfilling the needs of the citizens efficiently.

2a. Provide an activity measure(s) for the program.



*The FY2024 transactions are projected to increase as a result of transactions processed by the Mail-In Processing Licensing Office, and Online Motor Vehicle Renewals and Phone-In Renewals processed by License Offices.

PROGRAM DESCRIPTION

Department of Revenue

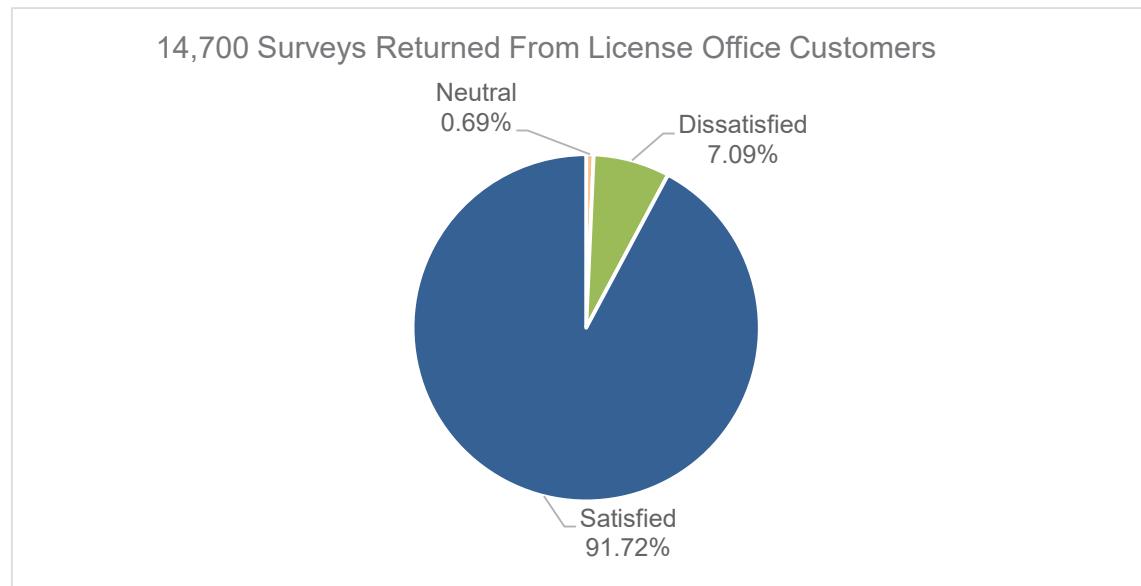
AB Section(s): 4.005, 4.015

Program Name - License Offices Bureau

Program is found in the following core budget(s): Motor Vehicle and Driver Licensing Division and Highway Fund

2b. Provide a measure(s) of the program's quality.

Customers are able to scan QR codes provided on the transaction receipt, posters in the license office, or business cards located at clerk workstations to complete survey on the services provided by the local license office. The data can be used to analyze staff performance, focus on staff development needs, and compare customer satisfaction between license offices in real time.



PROGRAM DESCRIPTION

Department of Revenue

AB Section(s): 4.005, 4.015

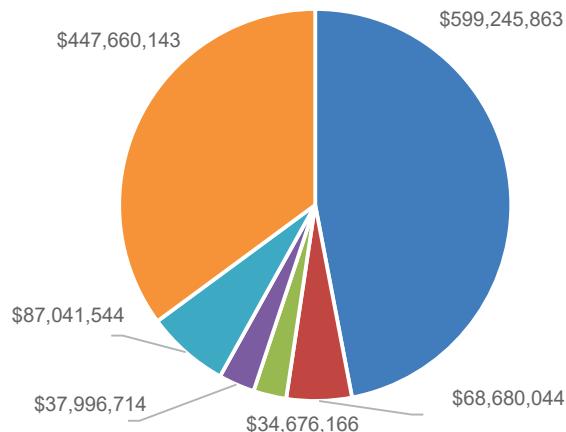
Program Name - License Offices Bureau

Program is found in the following core budget(s): Motor Vehicle and Driver Licensing Division and Highway Fund

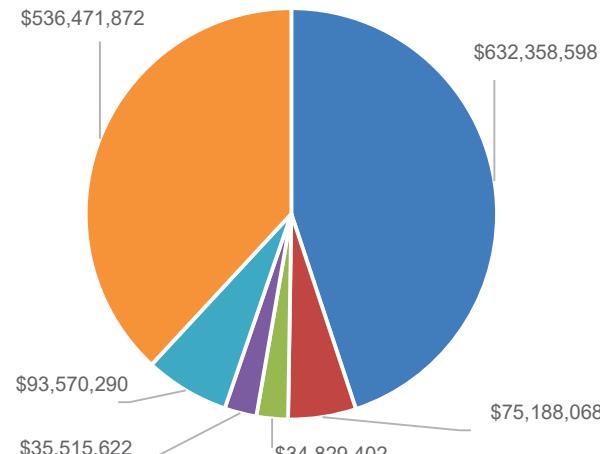
2c. Provide a measure(s) of the program's impact.

The Department collects and distributes motor vehicle and driver license taxes and fees that fund various state, city and county programs.

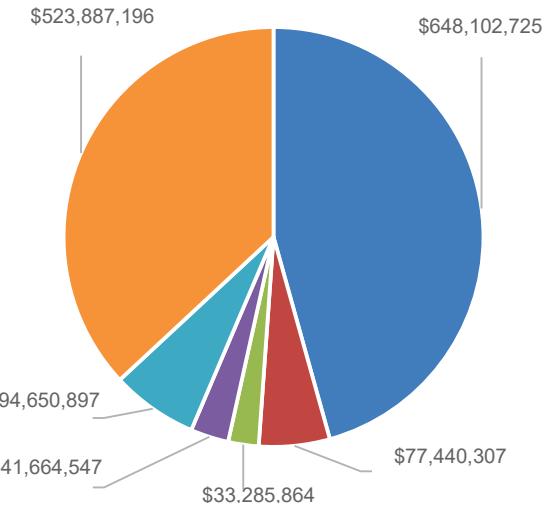
FY22



FY23



FY24



■ Highway Related ■ Education ■ General Revenue ■ Conservation & Natural Resources & Other ■ Motor Fuel ■ Local Sales and Use

Note: Combined Conservation, Natural Resources and Other

PROGRAM DESCRIPTION

Department of Revenue

AB Section(s): 4.005, 4.015

Program Name - License Offices Bureau

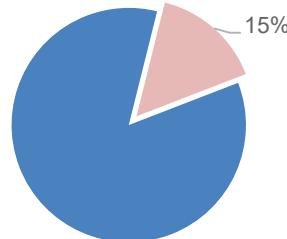
Program is found in the following core budget(s): Motor Vehicle and Driver Licensing Division and Highway Fund

2d. Provide a measure(s) of the program's efficiency.

The development of the Performance Based Management Strategy - General Operations Report (G.O. Report) follows LOB's vision to help license offices succeed. The strategy supports the 173 contract license offices and the contractors operating those offices, by providing clear guidance and uniform evaluation of the contractual requirements to provide the best customer service. The G.O. Report data is used for targeted training needs of license office staff. Contractors will have an improved understanding of their contractual requirements to avoid deficiencies that may negatively impact Missouri citizens seeking motor vehicle and driver license services.

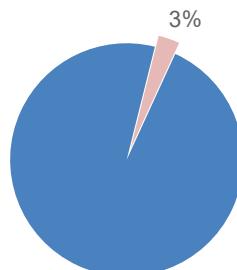
General Operations Report

4th Qtr - 2023
Oct - Dec



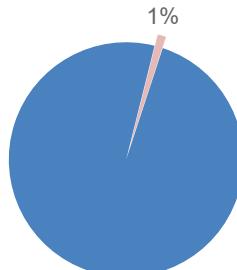
■ Needs Improvement (less than 80%)
■ Operating Greater than 80%

1st Qtr - 2024
Jan - Mar



■ Needs Improvement (less than 80%)
■ Operating Greater than 80%

2nd Qtr - 2024
Apr - Jun



■ Needs Improvement (less than 80%)
■ Operating Greater than 80%

PROGRAM DESCRIPTION

Department of Revenue

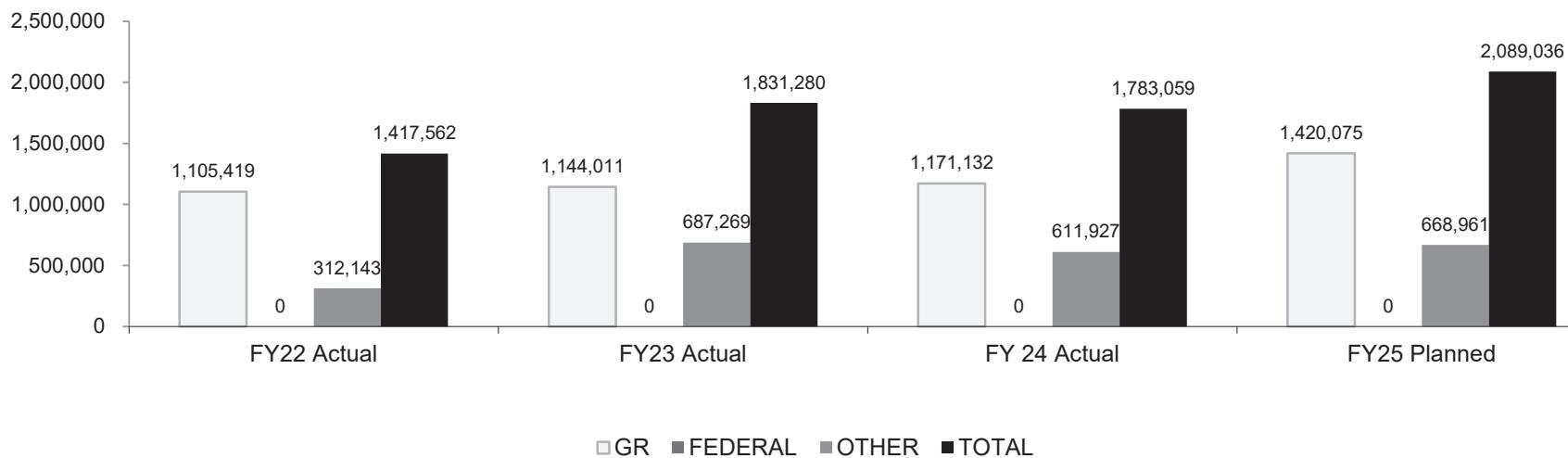
AB Section(s): 4.005, 4.015

Program Name - License Offices Bureau

Program is found in the following core budget(s): Motor Vehicle and Driver Licensing Division and Highway Fund

3.

Program Expenditure History



4. What are the sources of the "Other" funds?

Department of Revenue Specialty Plate Fund (0775), Motor Vehicle Commission Fund (0588), State Highways and Transportation Department Fund (0644)

5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Missouri Constitution, Article IV, Sections 12, 15, 22, and 30; Chapters 32, 144, 154, 301, 302, 303, 306

6. Are there federal matching requirements? If yes, please explain.

No

7. Is this a federally mandated program? If yes, please explain.

No

PROGRAM DESCRIPTION												
Department of Revenue	AB Section(s):	4.005										
Program Name - Motor Vehicle Bureau												
Program is found in the following core budget(s): Motor Vehicle and Driver Licensing Division and Highway Fund												
1a. What strategic priority does this program address?												
Embed Transformational Purpose; Focus on Service Culture; Team Member Recognition and Engagement; Partnerships; IT Roadmap												
1b. What does this program do?												
The Motor Vehicle Bureau (MVB) issues ownership documents and registers vehicles, trailers, and marinecraft, and licenses and regulates business licenses selling vehicles or marinecraft. The MVB ensures vehicles and marinecraft are properly titled and registered, and business licenses follow state laws, rules, and regulations.												
2a. Provide an activity measure(s) for the program.												
<p style="text-align: center;">Vehicle & Marinecraft Titles Issued*</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Titles Issued</th> </tr> </thead> <tbody> <tr> <td>FY22</td> <td>1,948,832</td> </tr> <tr> <td>FY23</td> <td>1,817,516</td> </tr> <tr> <td>FY24</td> <td>1,820,823</td> </tr> <tr> <td>FY25 Projected</td> <td>1,899,592</td> </tr> </tbody> </table>			Year	Titles Issued	FY22	1,948,832	FY23	1,817,516	FY24	1,820,823	FY25 Projected	1,899,592
Year	Titles Issued											
FY22	1,948,832											
FY23	1,817,516											
FY24	1,820,823											
FY25 Projected	1,899,592											

PROGRAM DESCRIPTION

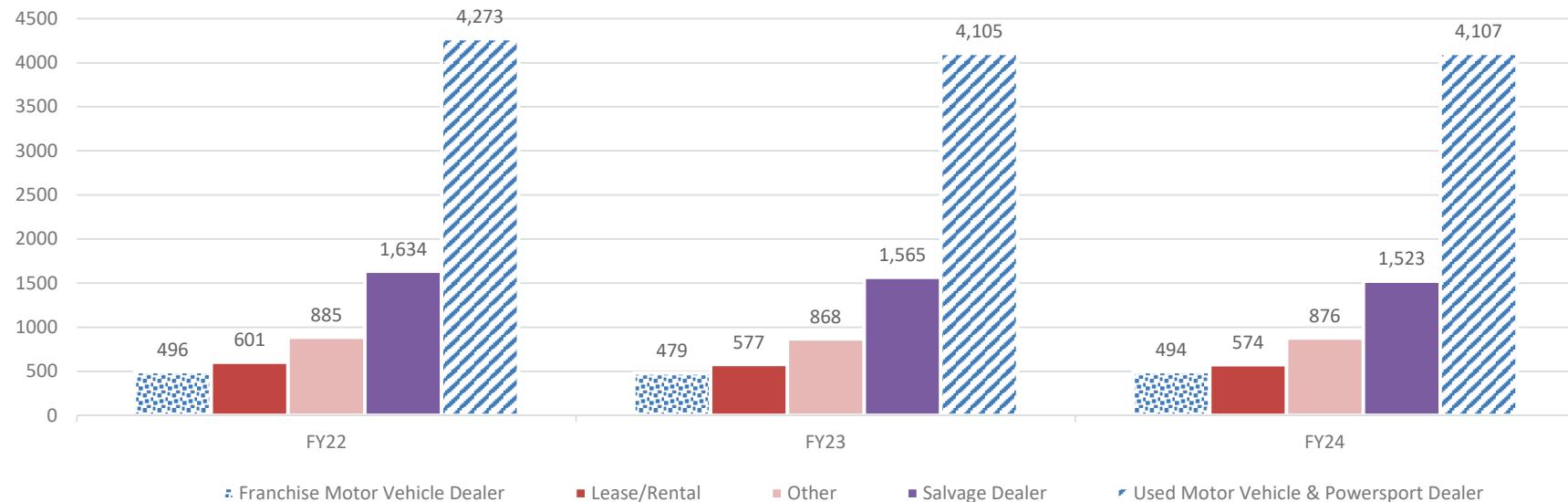
Department of Revenue

AB Section(s): 4.005

Program Name - Motor Vehicle Bureau

Program is found in the following core budget(s): Motor Vehicle and Driver Licensing Division and Highway Fund

Business License Issued



*The Other Business License category includes manufacturers, boat, trailer, new powersport dealers, title services, transportation network company, and wholesale motor vehicle auctions and public motor vehicle auctions.

PROGRAM DESCRIPTION

Department of Revenue

AB Section(s): 4.005

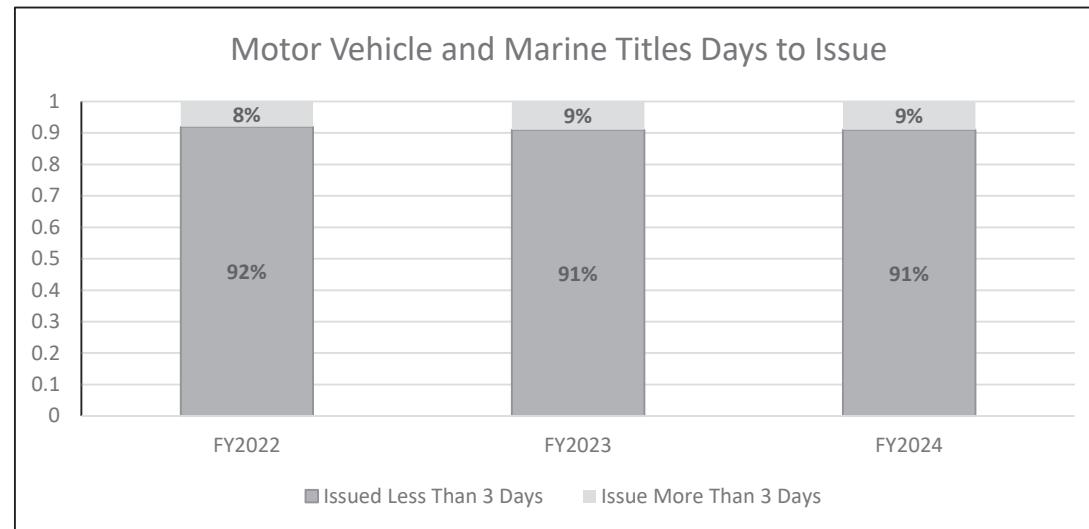
Program Name - Motor Vehicle Bureau

Program is found in the following core budget(s): Motor Vehicle and Driver Licensing Division and Highway Fund

2b. Provide a measure(s) of the program's quality.

The target for the number of days to issue a title is three days. The national average for original titles to be issued is three to four weeks after title application is received.

In FY24, MVB issued 1,820,823 vehicle and marinecraft certificate of titles and 91 percent of those (1,649,839) were issued less than 3 days.



PROGRAM DESCRIPTION

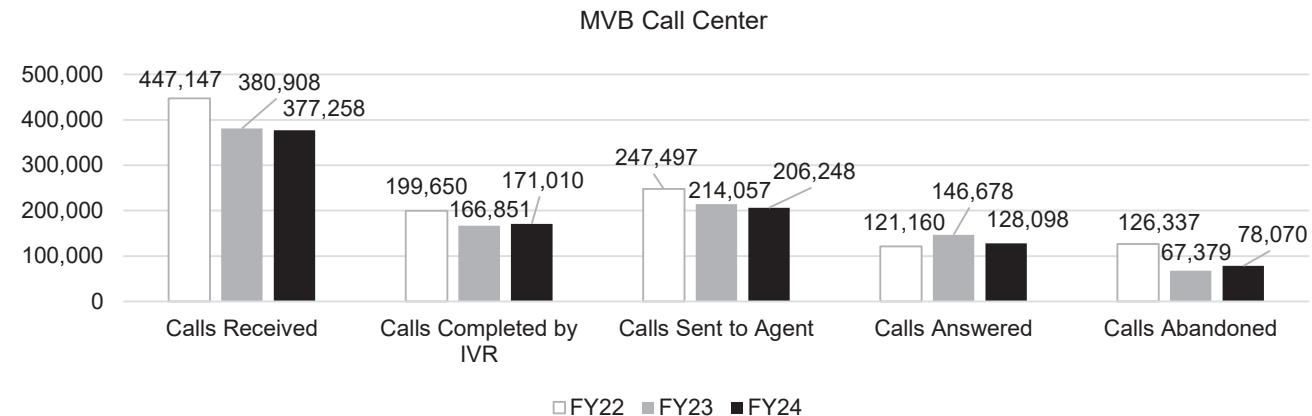
Department of Revenue

AB Section(s): 4.005

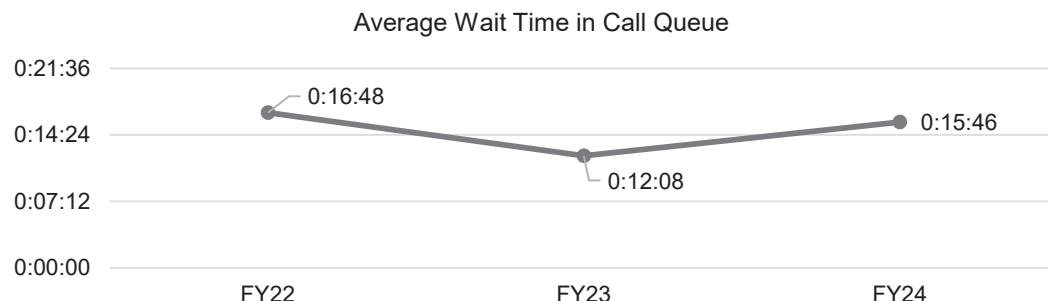
Program Name - Motor Vehicle Bureau

Program is found in the following core budget(s): Motor Vehicle and Driver Licensing Division and Highway Fund

In FY21, MVB implemented an enhanced Interactive Voice Recognition (IVR) self service phone system which decreased the number of calls handled by a Call Center team member. In FY24, approximately 47 percent of calls (171,010 of 377,258 total calls) received by MVB were completed through the new IVR system. With implementing the IVR System, the Department has reduced the abandoned rate by approximately 38 percent from FY22 to FY24.



The Department experienced higher turnover rates than expected in FY24.



PROGRAM DESCRIPTION

Department of Revenue

AB Section(s): 4.005

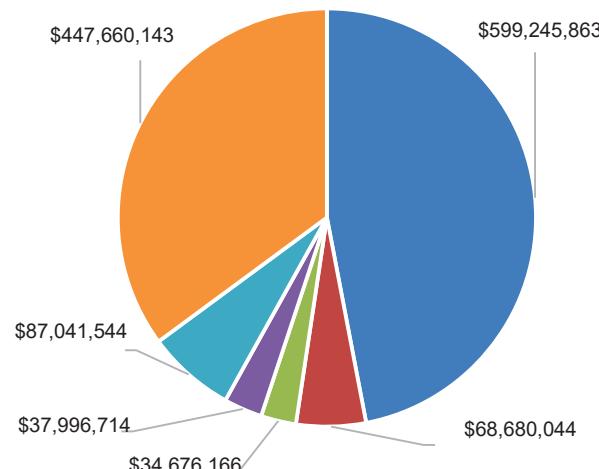
Program Name - Motor Vehicle Bureau

Program is found in the following core budget(s): Motor Vehicle and Driver Licensing Division and Highway Fund

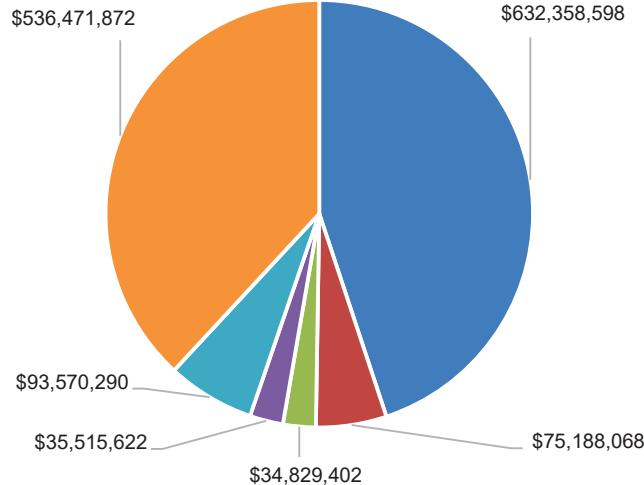
2c. Provide a measure(s) of the program's impact.

The Department collects and distributes motor vehicle and driver license taxes and fees that fund various state, city, and county programs.

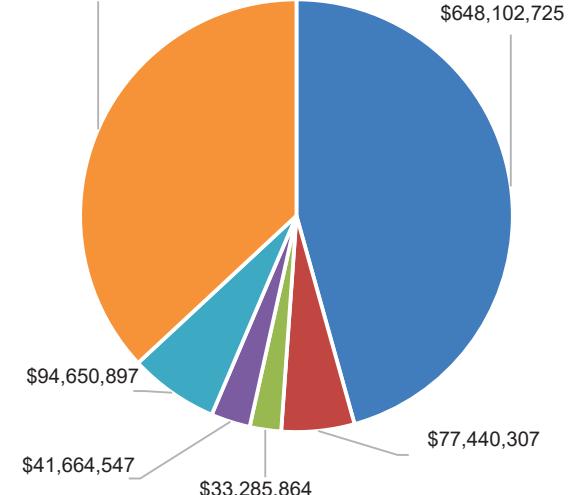
FY22



FY23



FY24



■ Highway Related ■ Education ■ General Revenue ■ Conservation & Natural Resources & Other ■ Motor Fuel ■ Local Sales and Use

Note: Combined Conservation, Natural Resources and Other

PROGRAM DESCRIPTION

Department of Revenue

AB Section(s): 4.005

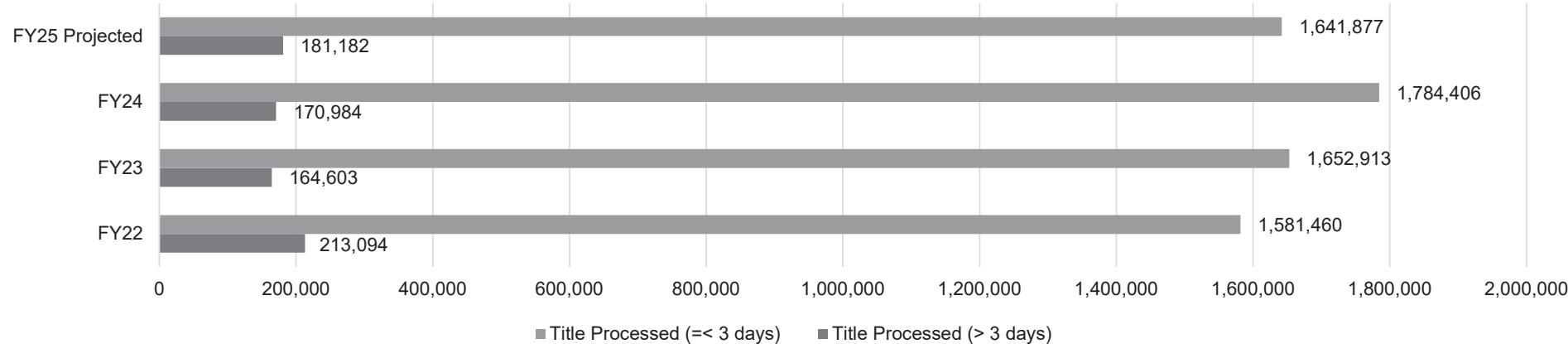
Program Name - Motor Vehicle Bureau

Program is found in the following core budget(s): Motor Vehicle and Driver Licensing Division and Highway Fund

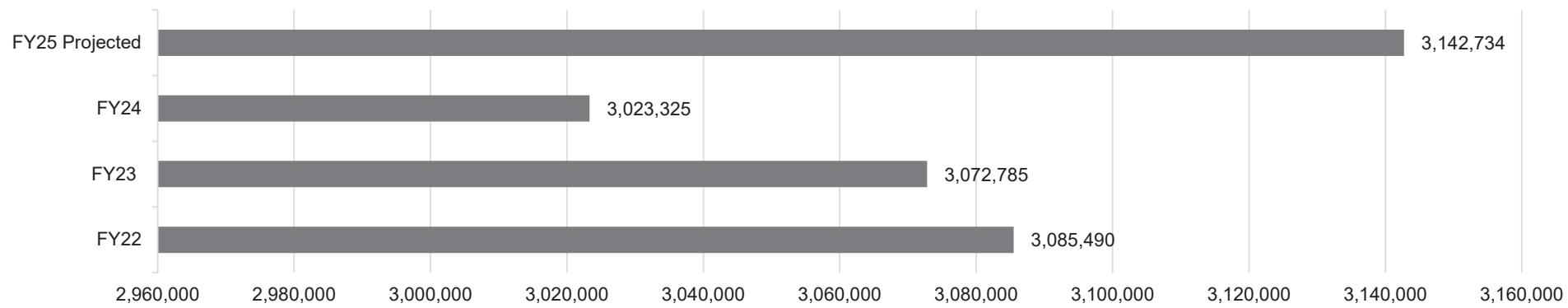
2d. Provide a measure(s) of the program's efficiency.

MVB tracks all Missouri title and registration transactions that were processed in the bureau and throughout all contract offices. In FY24, 98 percent of the 1,820,823 motor vehicle and marine titles issued were processed within 3 business days.

Title Performance



Total Registrations Issued



PROGRAM DESCRIPTION

Department of Revenue

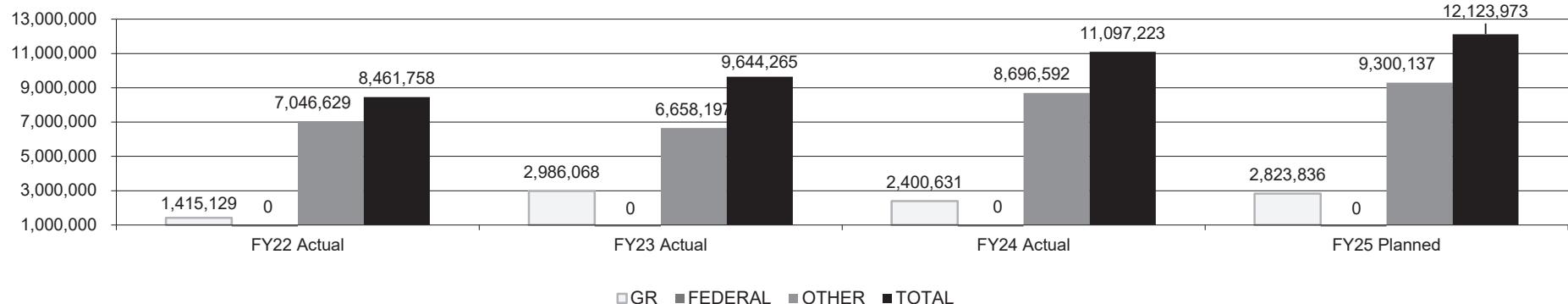
AB Section(s): 4.005

Program Name - Motor Vehicle Bureau

Program is found in the following core budget(s): Motor Vehicle and Driver Licensing Division and Highway Fund

3. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year. (Note: Amounts do not include fringe benefit costs.)

Program Expenditure History



4. What are the sources of the "Other" funds?

State Highways and Transportation Department Fund (0644), Department of Revenue Specialty Plate Fund (0775), Motor Vehicle Commission Fund (0588)

5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Missouri Constitution, Article IV, Sections 12, 15, 22, and 30; Chapters 32, 144, 154, 301, 302, 303, 306

6. Are there federal matching requirements? If yes, please explain.

No

7. Is this a federally mandated program? If yes, please explain.

No

PROGRAM DESCRIPTION																									
Department of Revenue	AB Section(s): <u>4.005, 4.020</u>																								
Program Name: Compliance and Investigation Bureau																									
Program is found in the following core budget(s): General Counsel's Office																									
<p>1a. What strategic priority does this program address? Embed Transformational Purpose, Focus on Service Culture, and Partnership</p>																									
<p>1b. What does this program do? The Compliance and Investigation Bureau (CIB) is responsible for creating and maintaining a climate of voluntary compliance to help citizens and businesses meet their statutory requirements by investigating complaints relating to fraudulent activities involving motor vehicle sales tax, titling and registration, odometers, driver licenses, license plates, cigarette tax, and motor fuel tax. CIB ensures businesses comply with motor vehicle dealer and salvage licensing requirements and enforces compliance with the Tobacco Master Settlement Agreement.</p>																									
<p>2a. Provide an activity measure(s) for the program.</p> <table border="1"> <caption>Cases Investigated by Type</caption> <thead> <tr> <th>Category</th> <th>FY22 ACTUAL</th> <th>FY23 ACTUAL</th> <th>FY24 ACTUAL</th> </tr> </thead> <tbody> <tr> <td>Assist Outside Agency</td> <td>216</td> <td>212</td> <td>275</td> </tr> <tr> <td>Dealership</td> <td>520</td> <td>452</td> <td>461</td> </tr> <tr> <td>Driver License</td> <td>67</td> <td>203</td> <td>170</td> </tr> <tr> <td>Motor Vehicle</td> <td>310</td> <td>297</td> <td>373</td> </tr> <tr> <td>Excise Tax</td> <td>1,417</td> <td>1,246</td> <td>2,398</td> </tr> </tbody> </table>		Category	FY22 ACTUAL	FY23 ACTUAL	FY24 ACTUAL	Assist Outside Agency	216	212	275	Dealership	520	452	461	Driver License	67	203	170	Motor Vehicle	310	297	373	Excise Tax	1,417	1,246	2,398
Category	FY22 ACTUAL	FY23 ACTUAL	FY24 ACTUAL																						
Assist Outside Agency	216	212	275																						
Dealership	520	452	461																						
Driver License	67	203	170																						
Motor Vehicle	310	297	373																						
Excise Tax	1,417	1,246	2,398																						

PROGRAM DESCRIPTION

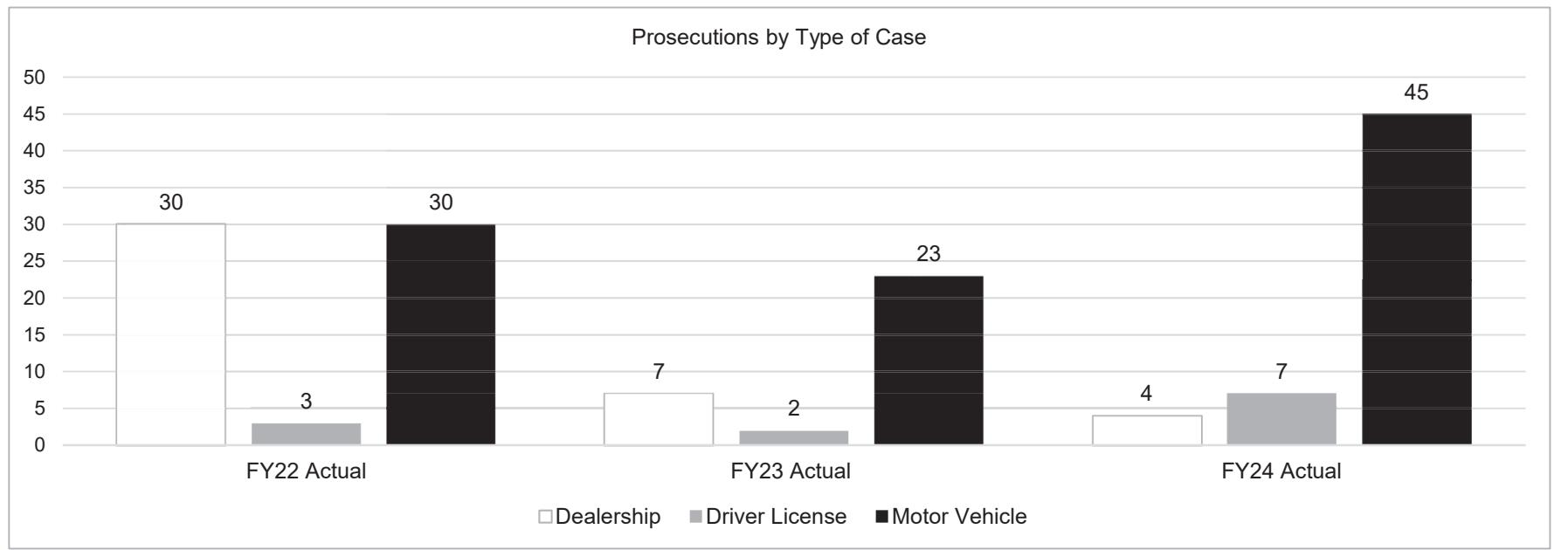
Department of Revenue

AB Section(s): 4.005, 4.020

Program Name: Compliance and Investigation Bureau

Program is found in the following core budget(s): General Counsel's Office

2b. Provide a measure(s) of the program's quality.



PROGRAM DESCRIPTION

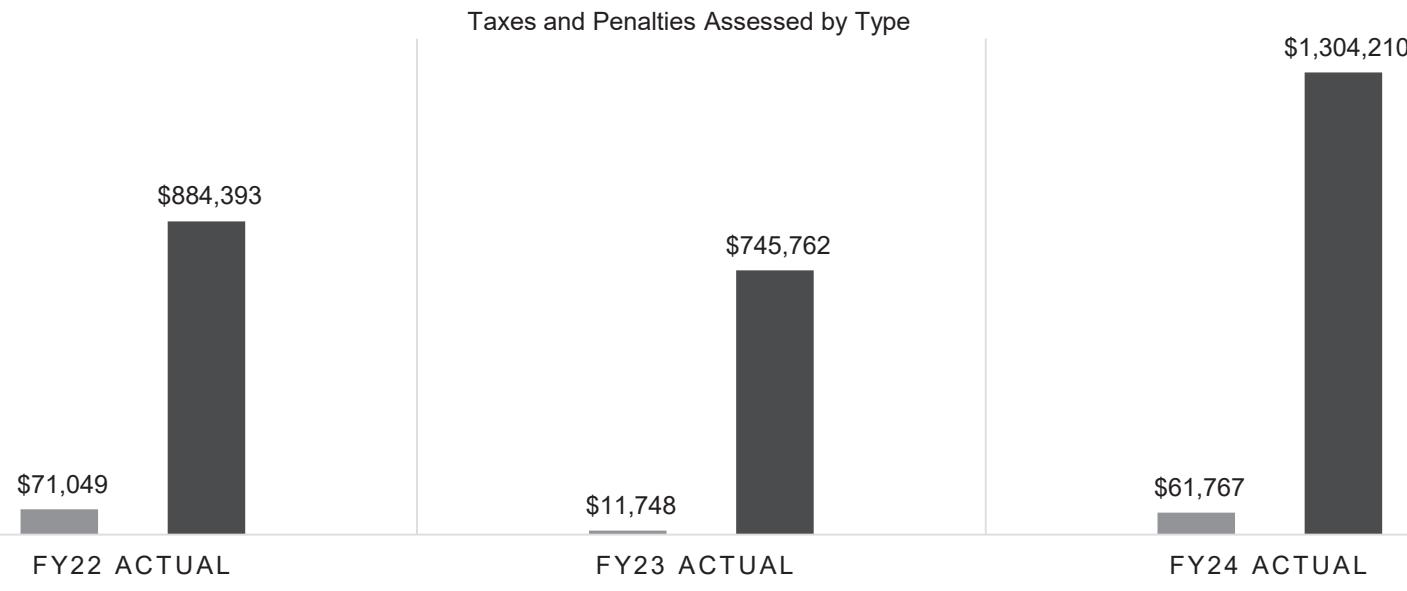
Department of Revenue

AB Section(s): 4.005, 4.020

Program Name: Compliance and Investigation Bureau

Program is found in the following core budget(s): General Counsel's Office

2c. Provide a measure(s) of the program's impact.



PROGRAM DESCRIPTION

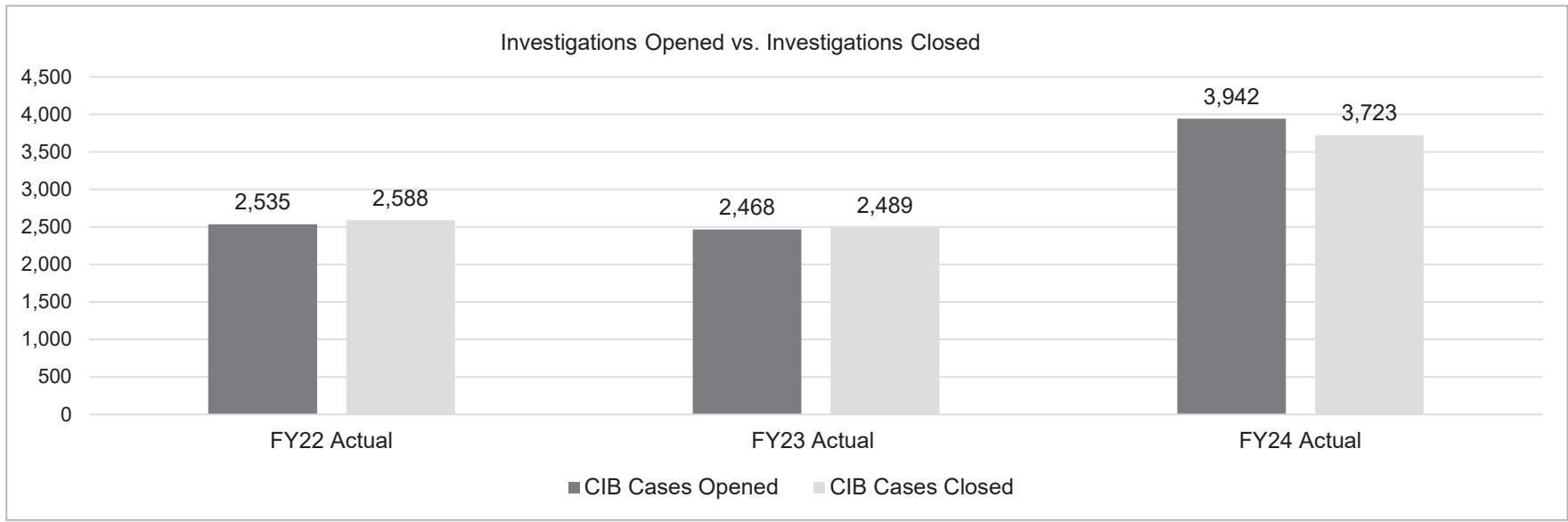
Department of Revenue

AB Section(s): 4.005, 4.020

Program Name: Compliance and Investigation Bureau

Program is found in the following core budget(s): General Counsel's Office

2d. Provide a measure(s) of the program's efficiency.



PROGRAM DESCRIPTION

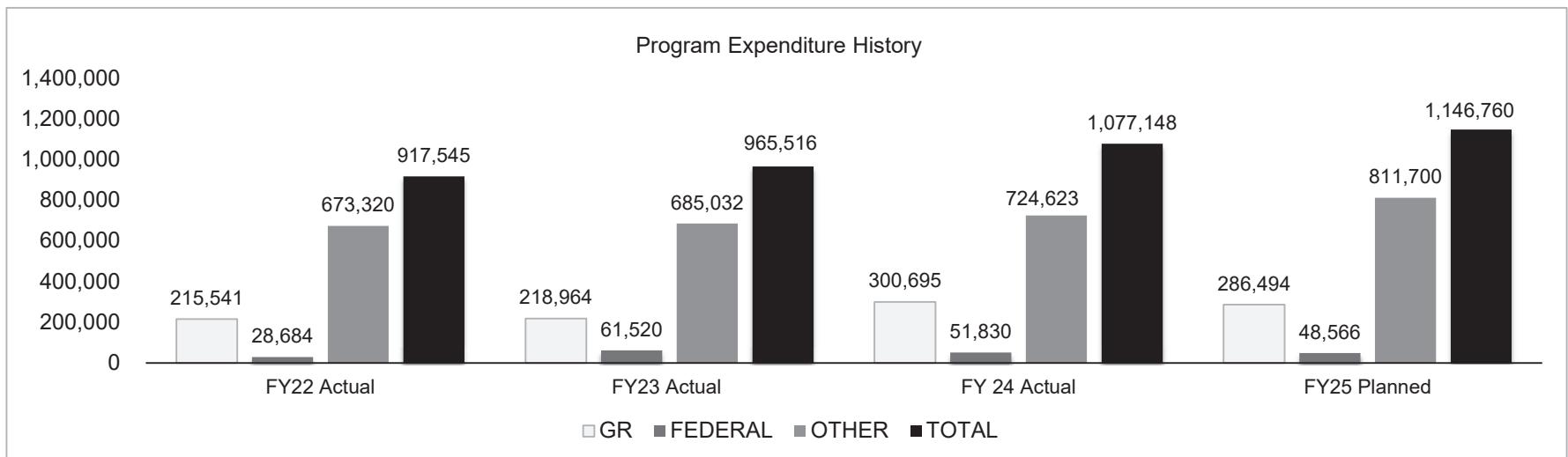
Department of Revenue

AB Section(s): 4.005, 4.020

Program Name: Compliance and Investigation Bureau

Program is found in the following core budget(s): General Counsel's Office

3. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year. (Note: Amounts do not include fringe benefit costs.)



4. What are the sources of the "Other" funds?

Motor Vehicle Commission Fund (0588); Tobacco Control Special Fund (0984)

5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Missouri Constitution, Article IV, Sections 12 and 22, Chapters 32, 136, 142, 143, 144, 147, 154, 301.216, 301.302 and 306, RSMo

6. Are there federal matching requirements? If yes, please explain.

No

7. Is this a federally mandated program? If yes, please explain.

No

PROGRAM DESCRIPTION

Department of Revenue

AB Section(s): 4.005, 4.020

Program Name - Criminal Tax Investigations Bureau

Program is found in the following core budget(s): General Counsel's Office

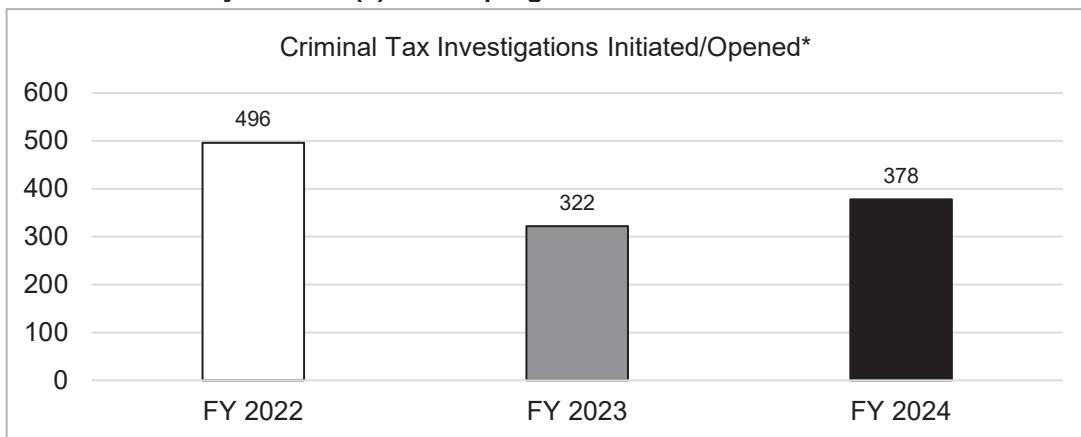
1a. What strategic priority does this program address?

Embed Transformational Purpose, Focus on Service Culture, Team Member Recognition and Engagement, Partnerships, IT Roadmap

1b. What does this program do?

The Criminal Tax Investigation Bureau (CTIB) is responsible for creating and maintaining a climate of voluntary compliance to help citizens and businesses meet their statutory requirements by investigating potential criminal tax violations (sales, use, withholding and income taxes) and issuing summonses to businesses that fail to file and pay sales and withholding taxes in a timely manner. CTIB's investigations often lead to the payment of monies owed without the need to refer cases to prosecuting attorneys for potential criminal charges.

2a. Provide an activity measure(s) for the program.



*Note: Restated prior fiscal year numbers, due to miscalculation.

PROGRAM DESCRIPTION

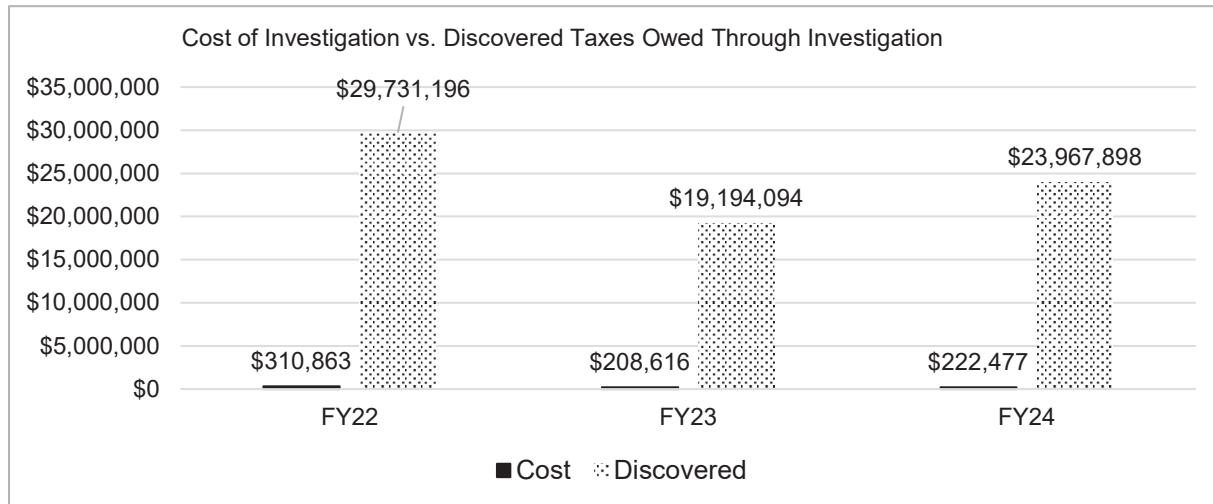
Department of Revenue

AB Section(s): 4.005, 4.020

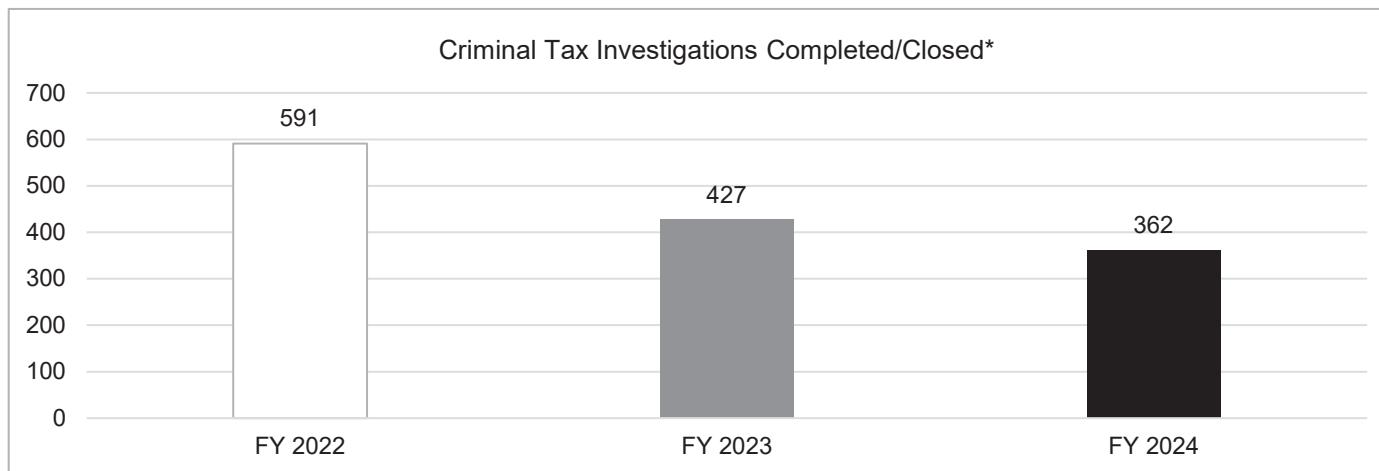
Program Name - Criminal Tax Investigations Bureau

Program is found in the following core budget(s): General Counsel's Office

2b. Provide a measure(s) of the program's quality.



2c. Provide a measure(s) of the program's impact.



*Note: Restated prior fiscal year numbers, due to miscalculation.

PROGRAM DESCRIPTION

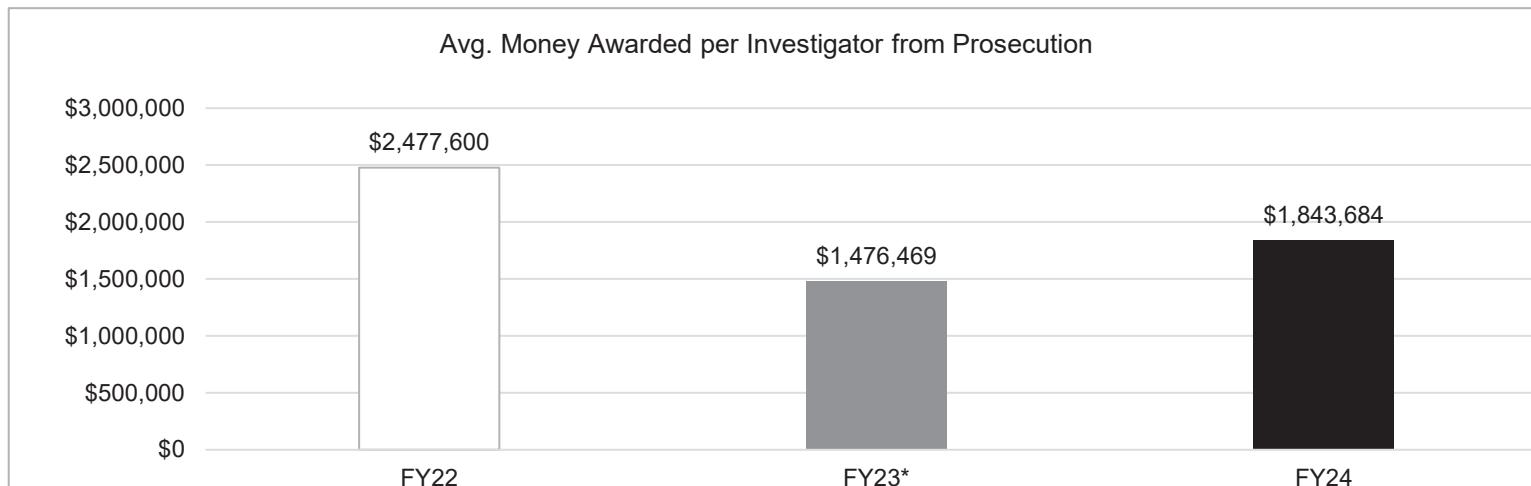
Department of Revenue

AB Section(s): 4.005, 4.020

Program Name - Criminal Tax Investigations Bureau

Program is found in the following core budget(s): General Counsel's Office

2d. Provide a measure(s) of the program's efficiency.



*Note: Restated FY23 numbers, due to miscalculation was \$1,599,508.

PROGRAM DESCRIPTION

Department of Revenue

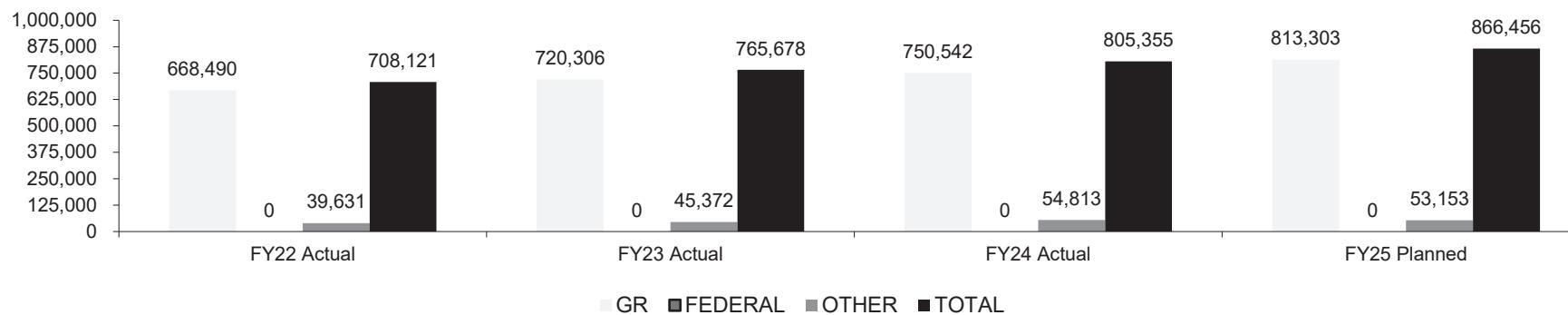
AB Section(s): 4.005, 4.020

Program Name - Criminal Tax Investigations Bureau

Program is found in the following core budget(s): General Counsel's Office

3. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year. (Note: Amounts do not include fringe benefit costs.)

Program Expenditure History



4. What are the sources of the "Other" funds?

Motor Vehicle Commission Fund (0588); Tobacco Control Special Fund ((0984)

5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Missouri Constitution, Article IV, Sections 12 and 22, Chapters 32, 136, 142, 143, 144, 147, 154, 301.302 and 306, RSMo.

6. Are there federal matching requirements? If yes, please explain.

No

7. Is this a federally mandated program? If yes, please explain.

No

PROGRAM DESCRIPTION

Department of Revenue

AB Section(s): 4.005, 4.020

Program Name General Counsel's Office

Program is found in the following core budget(s): General Counsel's Office

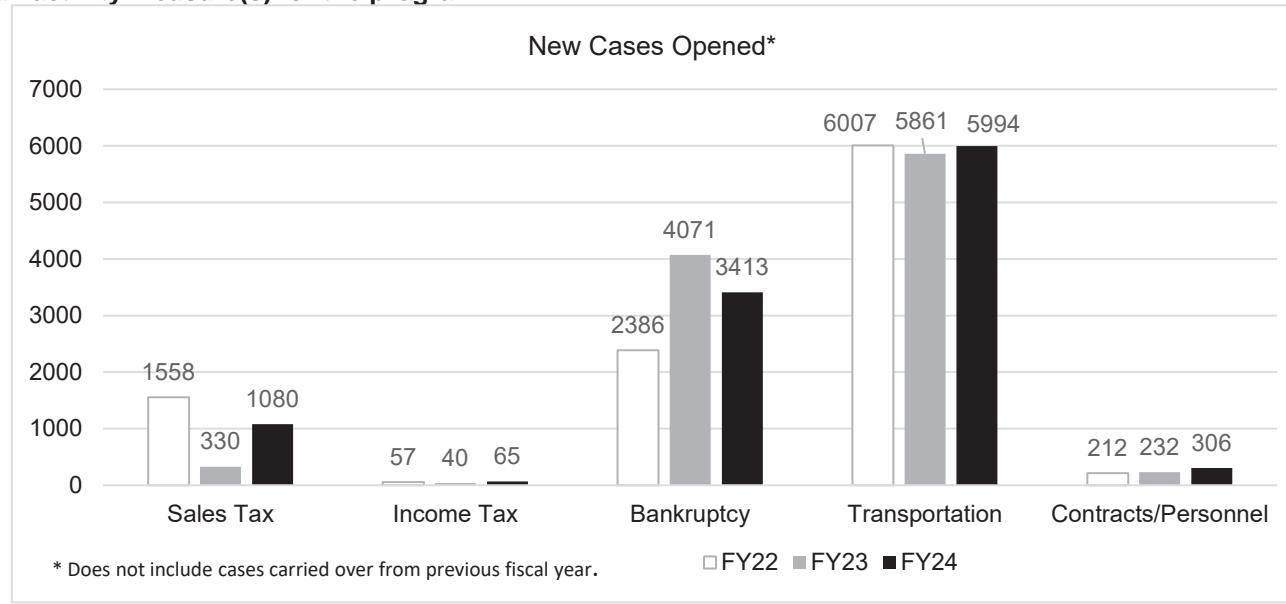
1a. What strategic priority does this program address?

Embed Transformational Purpose, Focus on Service Culture, Partnerships

1b. What does this program do?

The General Counsel's Office (GCO) provides comprehensive legal support to all operational and support divisions in the Department to assist the divisions in accomplishing the Department's goals and objectives. GCO attorneys and staff provide legal research and advice for the divisions, defend complex litigation before the Administrative Hearing Commission, Missouri circuit courts and federal bankruptcy courts; work with the Attorney General's Office in defending complex litigation involving the Department; prepare legal analysis on pending legislation; draft and review contracts; draft and review administrative rules; administer the Department's compliance with the Sunshine law; and ensure the Department's compliance with privacy and confidentiality laws. GCO also conducts external investigations and develops information leading to local prosecution of individuals and businesses suspected of violating state statutes related to taxation, motor vehicle and driver laws. In addition to external investigations, GCO conducts investigations of contracted license offices.

2a. Provide an activity measure(s) for the program.



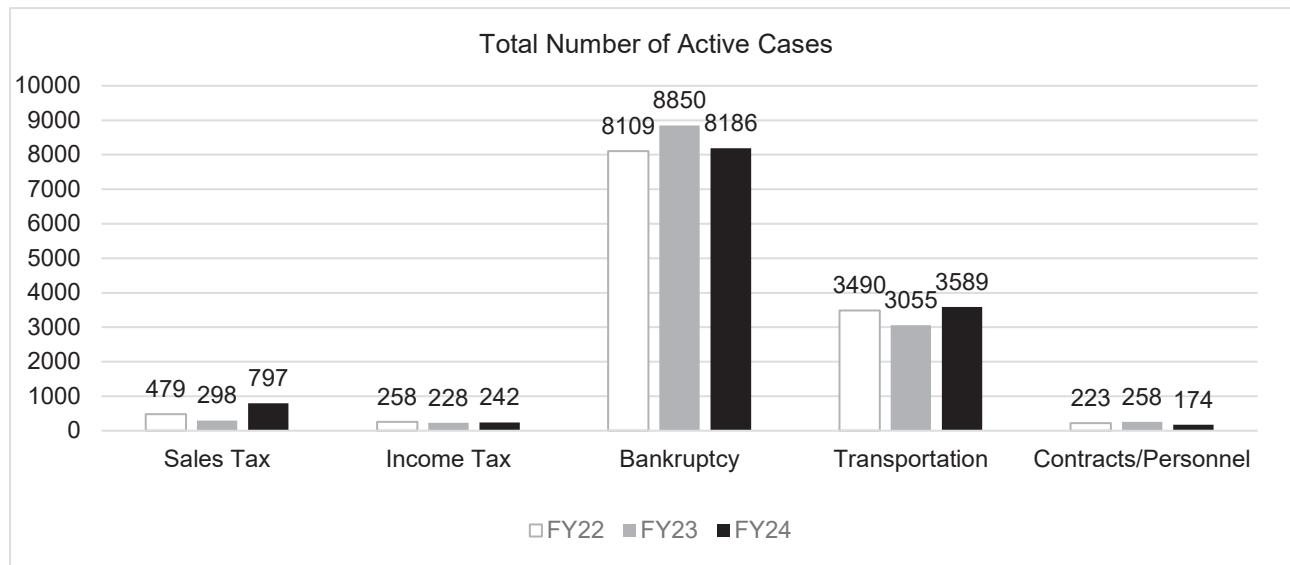
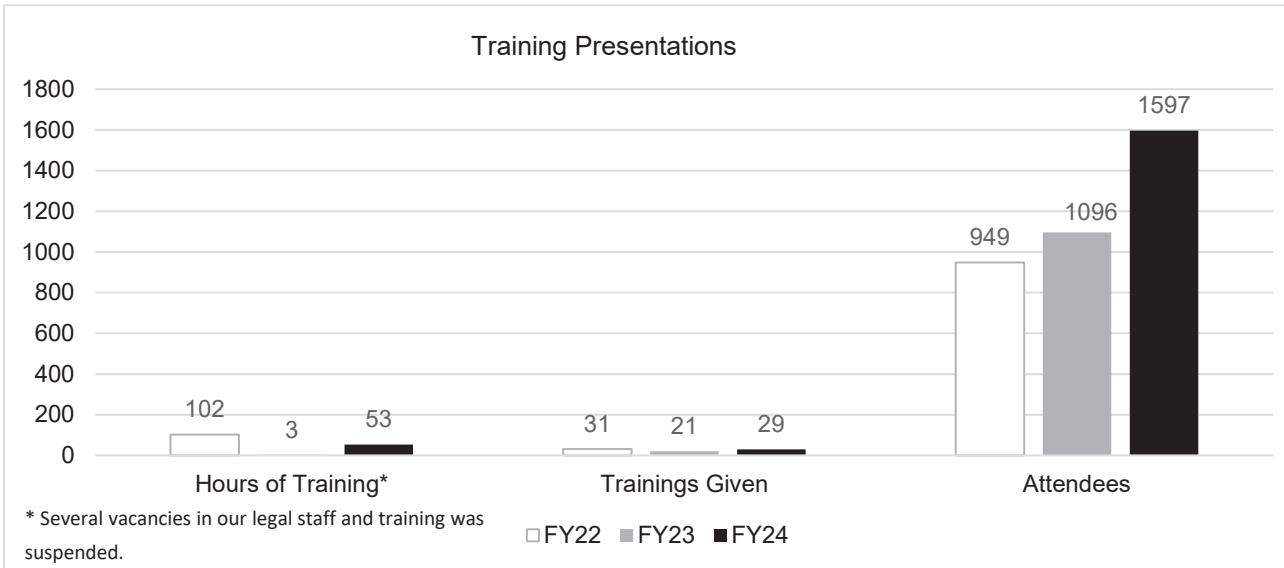
PROGRAM DESCRIPTION

Department of Revenue

AB Section(s): 4.005, 4.020

Program Name General Counsel's Office

Program is found in the following core budget(s): General Counsel's Office



PROGRAM DESCRIPTION

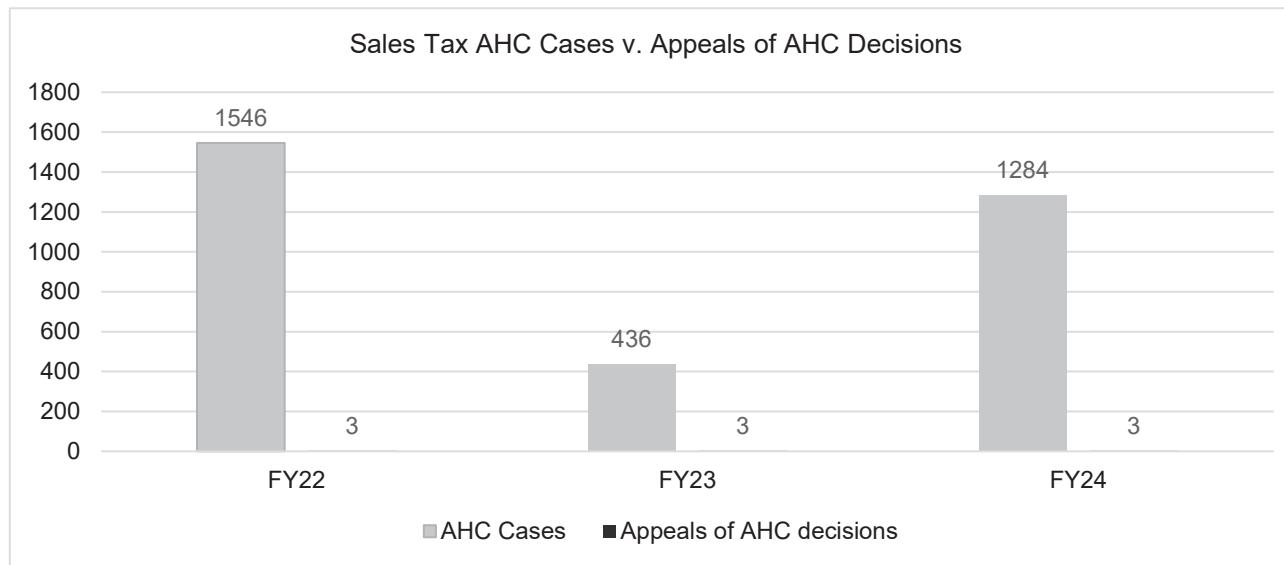
Department of Revenue

AB Section(s): 4.005, 4.020

Program Name General Counsel's Office

Program is found in the following core budget(s): General Counsel's Office

2b. Provide a measure(s) of the program's quality.



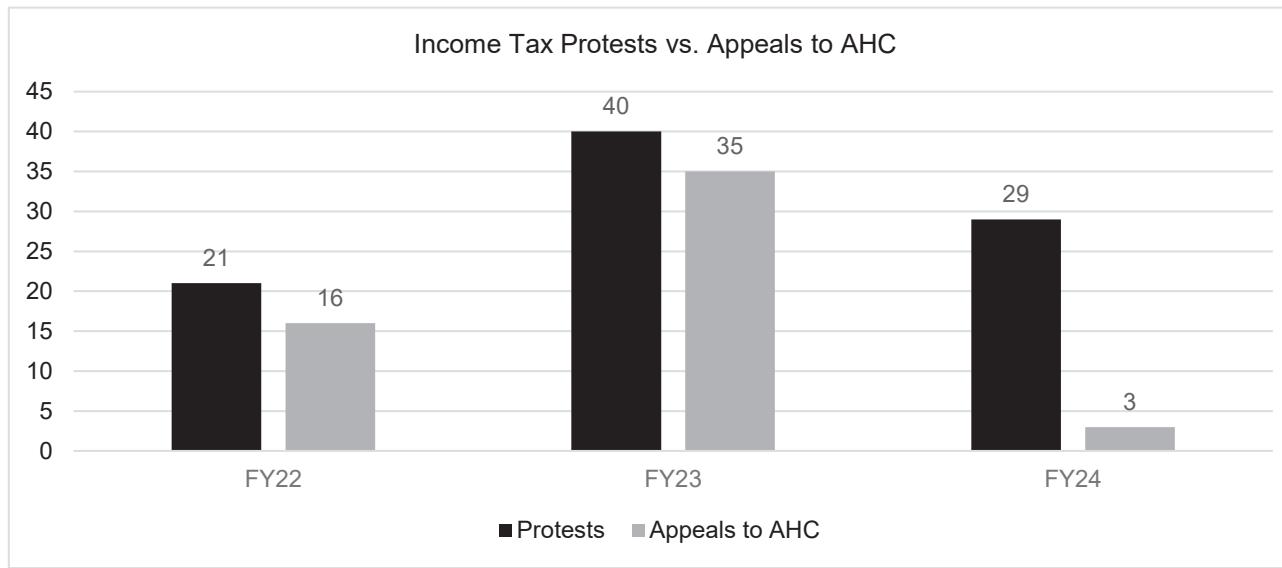
PROGRAM DESCRIPTION

Department of Revenue

AB Section(s): 4.005, 4.020

Program Name General Counsel's Office

Program is found in the following core budget(s): General Counsel's Office



PROGRAM DESCRIPTION

Department of Revenue

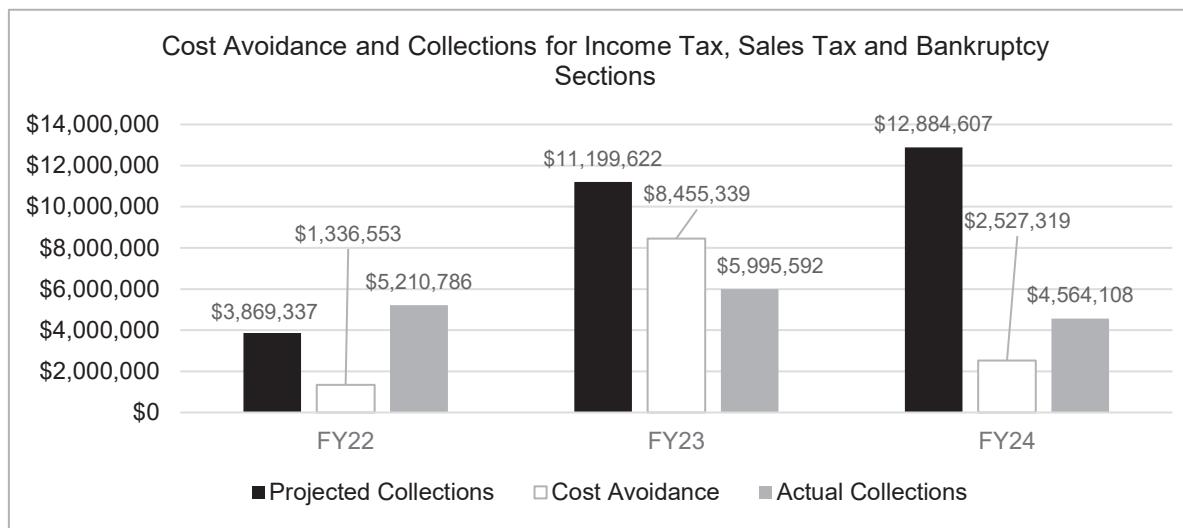
AB Section(s): 4.005, 4.020

Program Name General Counsel's Office

Program is found in the following core budget(s): General Counsel's Office

2c. Provide a measure(s) of the program's impact.

The Sales and Income Tax Sections litigate and collect delinquent or disputed taxes and fees owed to the state. The Bankruptcy Unit ensures departmental compliance with bankruptcy code provisions and collects delinquent taxes owed by filing claims in the federal Bankruptcy courts. The Sales and Income Tax Sections also save the state money by successfully defending against claims made for refunds or reductions in taxes and negotiating settlements. "Projected Collections" represents the amount awarded by a tribunal that GCO anticipates will be collected in the future, "Actual Collections" represents actual amount paid to GCO in the fiscal year, and "Cost Avoidance" represents the amount originally claimed for a refund, minus what is actually paid. The Transportation Section will defend the state's Implied Consent Law in a select number of counties, but the majority are handled by the county prosecutor where the offense occurred. The second chart will show the Transportation's win rate vs. the collective county prosecutor's win rate.



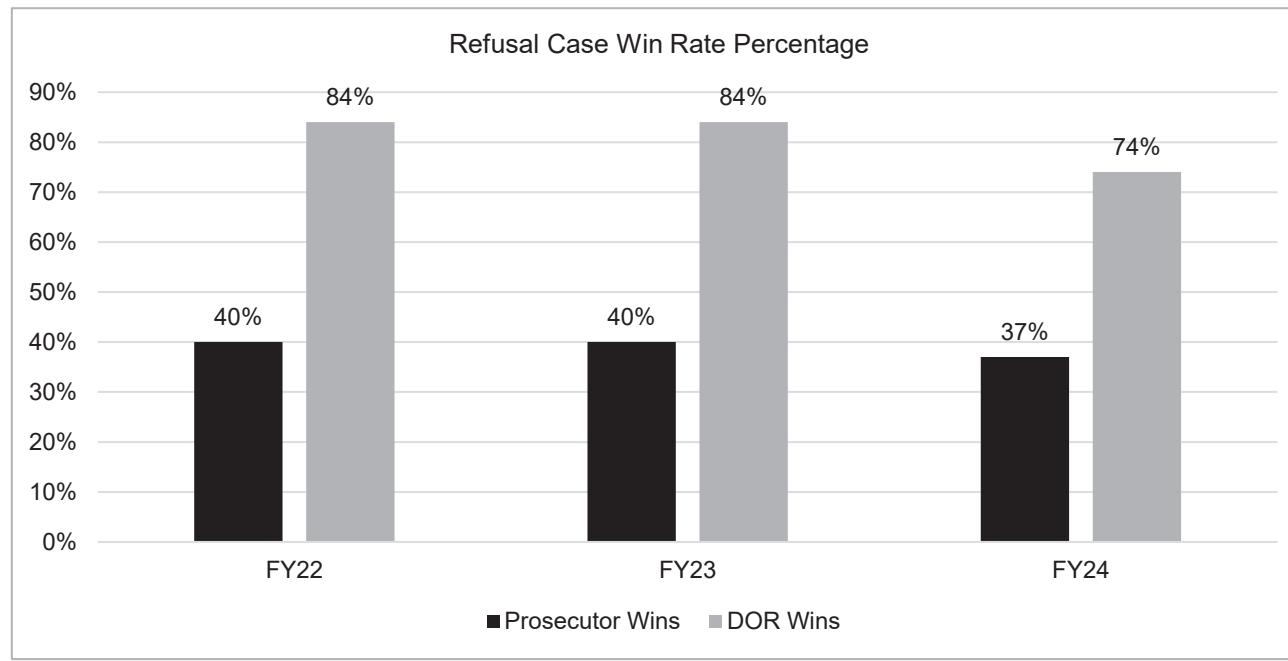
PROGRAM DESCRIPTION

Department of Revenue

AB Section(s): 4.005, 4.020

Program Name General Counsel's Office

Program is found in the following core budget(s): General Counsel's Office



PROGRAM DESCRIPTION

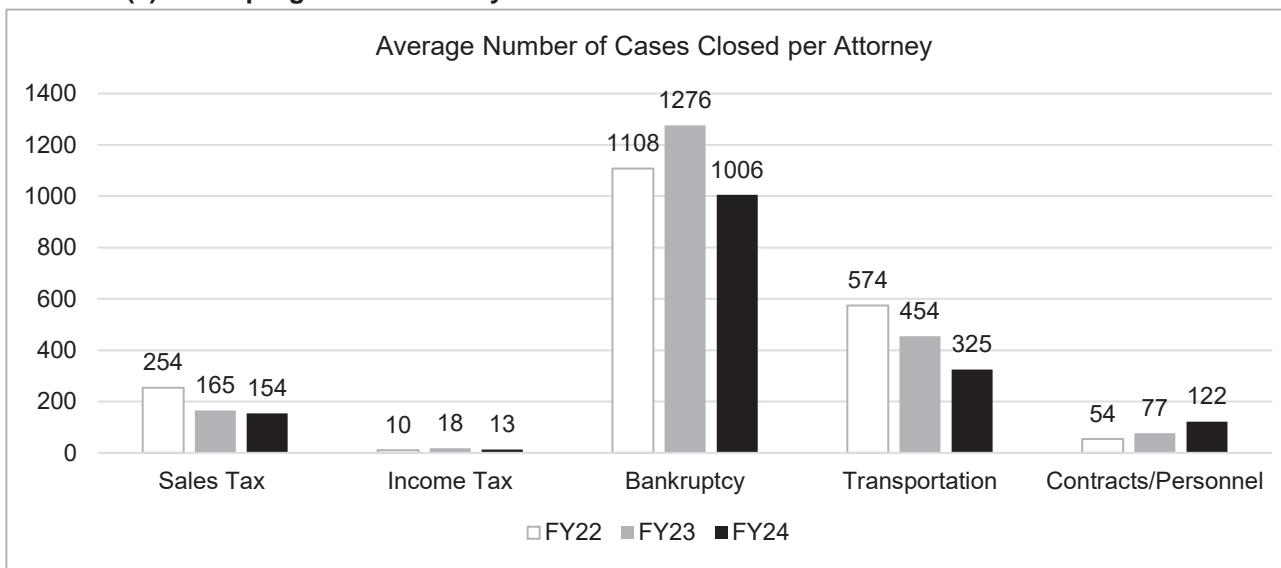
Department of Revenue

AB Section(s): 4.005, 4.020

Program Name General Counsel's Office

Program is found in the following core budget(s): General Counsel's Office

2d. Provide a measure(s) of the program's efficiency.



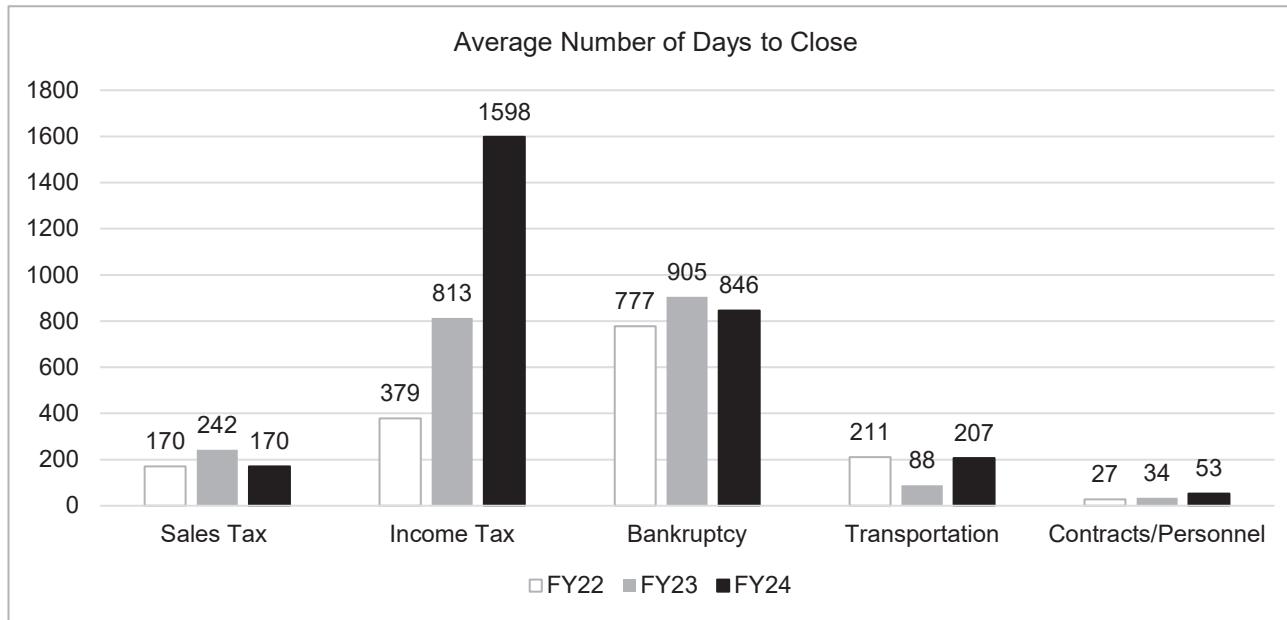
PROGRAM DESCRIPTION

Department of Revenue

AB Section(s): 4.005, 4.020

Program Name General Counsel's Office

Program is found in the following core budget(s): General Counsel's Office

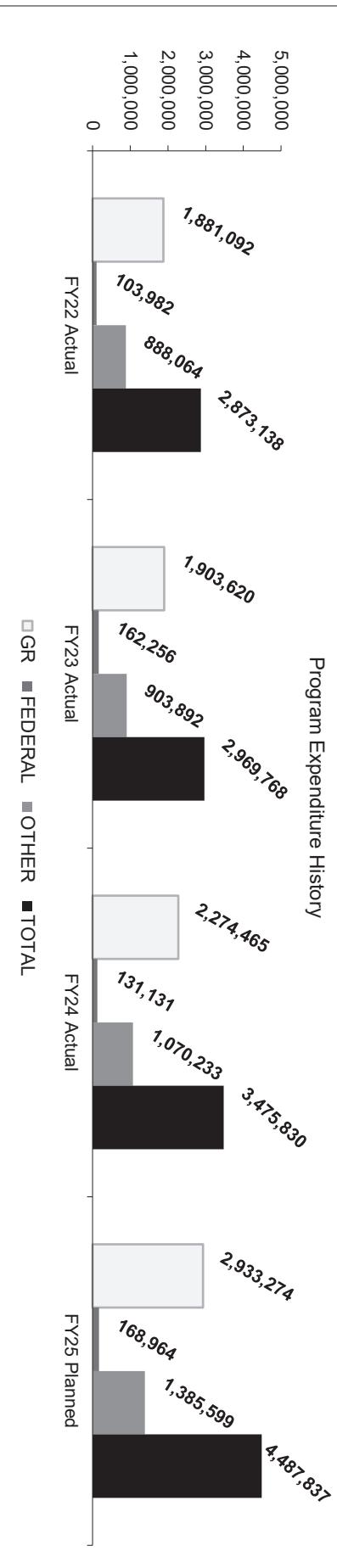


PROGRAM DESCRIPTION

Department of Revenue
Program Name General Counsel's Office

AB Section(s): 4.005, 4.020

3. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year. (Note: Amounts do not include fringe benefit costs.)



4. What are the sources of the "Other" funds?

Motor Vehicle Commission Fund (0588); Tobacco Control Special Fund (0984)

5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)
 Missouri Constitution Article IV Sections 12 and 22; Chapters 32, 136, 142, 143, 144, 147, 154, 301.306 and 306 RSMo.

6. Are there federal matching requirements? If yes, please explain.
 NO

7. Is this a federally mandated program? If yes, please explain.
 NO

PROGRAM DESCRIPTION

Department of Revenue

AB Section(s): 4.005, 4.025

Program Name - Administration Division

Program is found in the following core budget(s): Administration/Postage

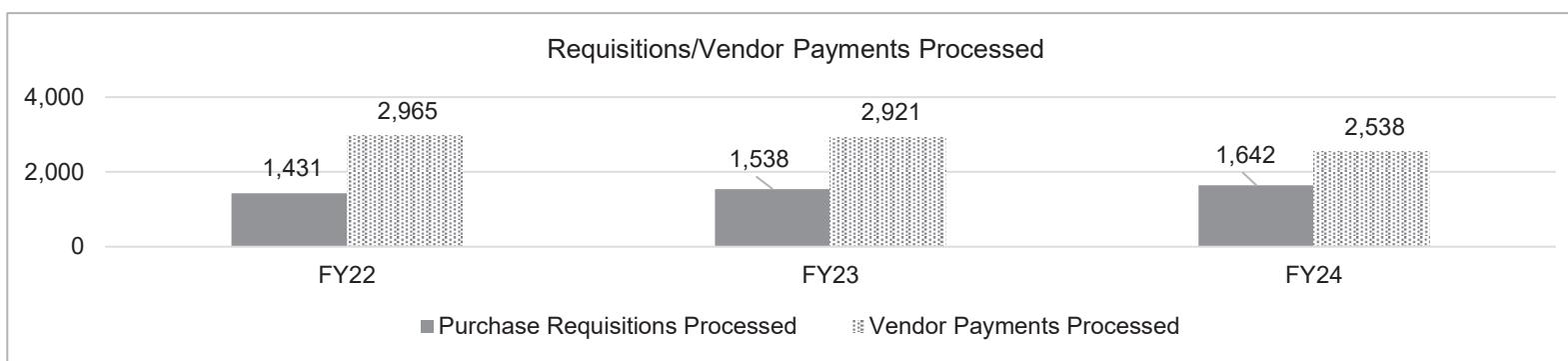
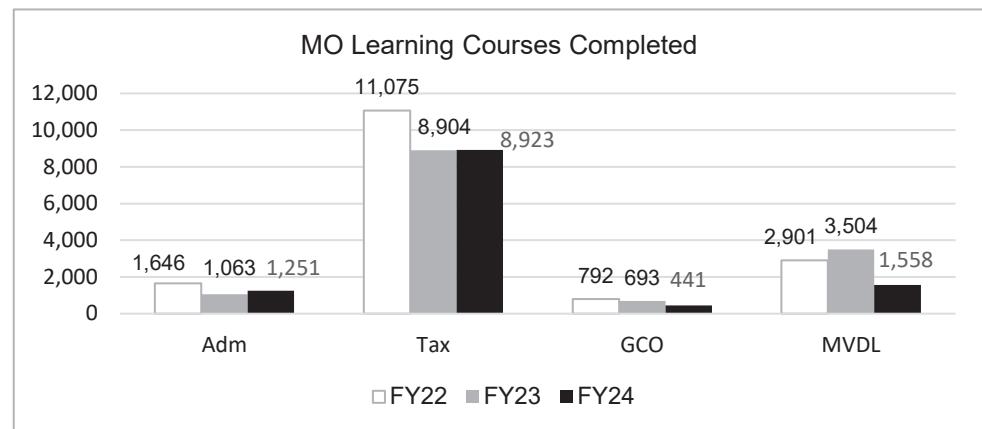
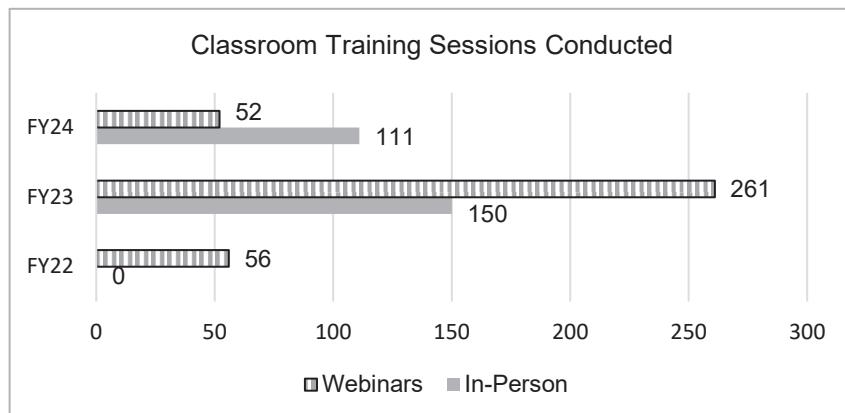
1a. What strategic priority does this program address?

Embed Transformational Purpose, Focus on Service Culture, Partnerships, Employee Recognition and Engagement.

1b. What does this program do?

The Administration Division provides administrative support and executive leadership to help all department divisions by enabling them to focus on their primary responsibilities with effective communication strategies, human resource and payroll processing, professional development initiatives, financial and general services.

2a. Provide an activity measure(s) for the program.



PROGRAM DESCRIPTION

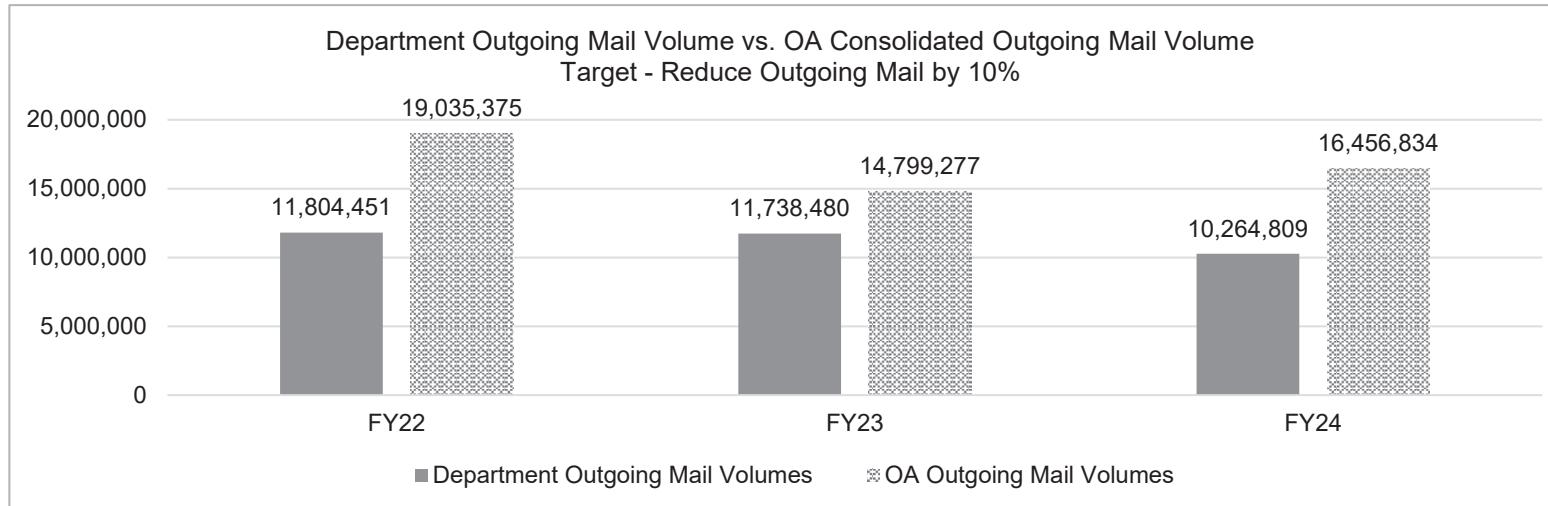
Department of Revenue

AB Section(s): 4.005, 4.025

Program Name - Administration Division

Program is found in the following core budget(s): Administration/Postage

2a. Provide an activity measure(s) for the program (cont.).



2b. Provide a measure(s) of the program's quality.

The Department's goal is to create a pool of certified professionals that are ready, willing and able to lead teams, projects and Department initiatives. The Department ensures all supervisors and leaders meet the Leadership Development rule, as required by 1 CSR 20-6.010, and receive at least 40 hours of training every fiscal year. The Department also encourages our team members to grow and develop by providing them the opportunity to pursue professional development to gain certifications and advanced skillsets. These opportunities include, but are not limited to:certifications in Lean Six Sigma (White, Yellow, Green, and Black belts), Certified Fraud Examiner (CFE), Certified Public Accountant (CPA), Project Management Professional (PMP), and/or Society for Human Resources Management Certified Professional/Senior Certified Professional (SHRM-CP/SCP); and provide tuition reimbursement for undergraduate and graduate degrees.

PROGRAM DESCRIPTION

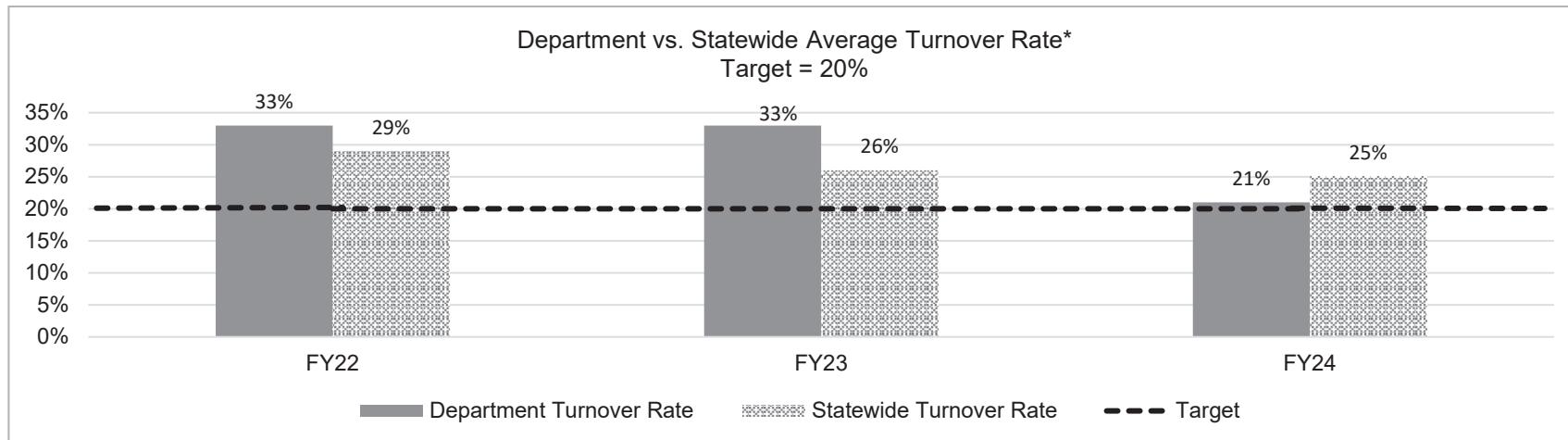
Department of Revenue

AB Section(s): 4.005, 4.025

Program Name - Administration Division

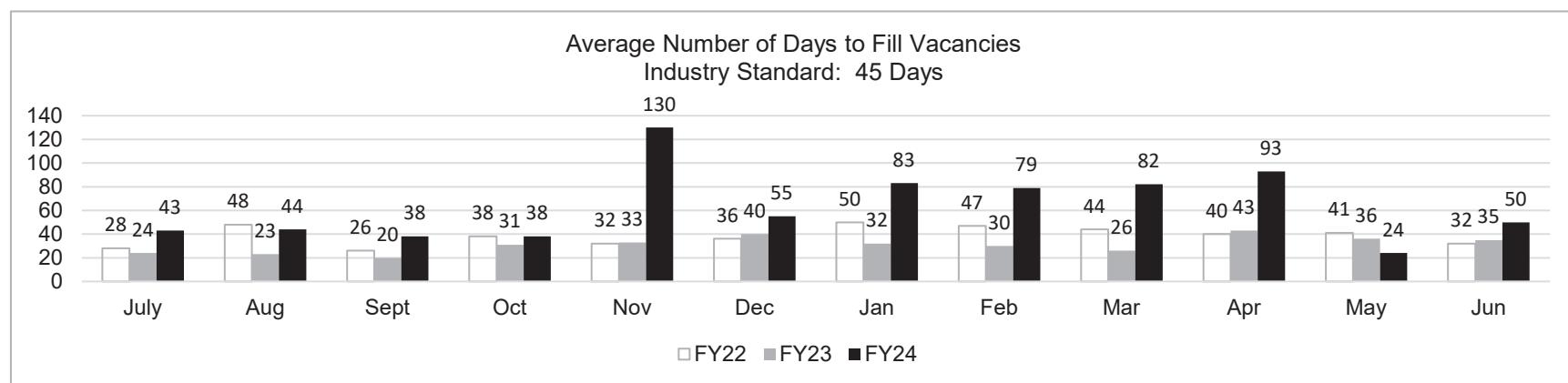
Program is found in the following core budget(s): Administration/Postage

2c. Provide a measure(s) of the program's impact.



*Note: Restated prior fiscal year numbers, due to miscalculation.

2d. Provide a measure(s) of the program's efficiency.



PROGRAM DESCRIPTION

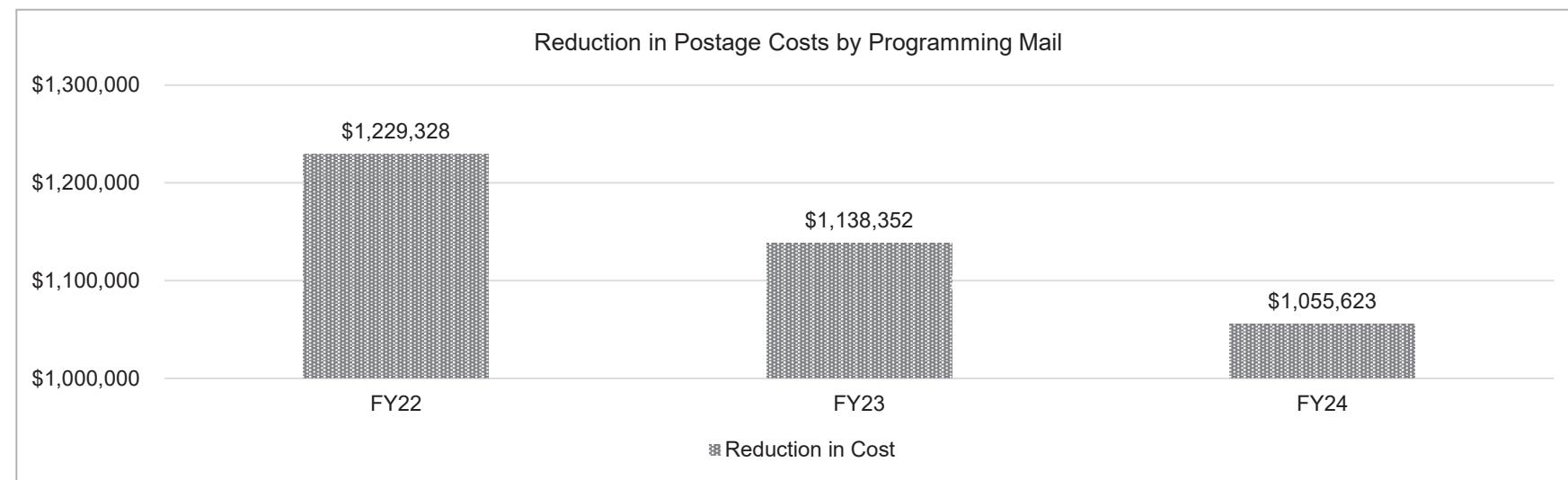
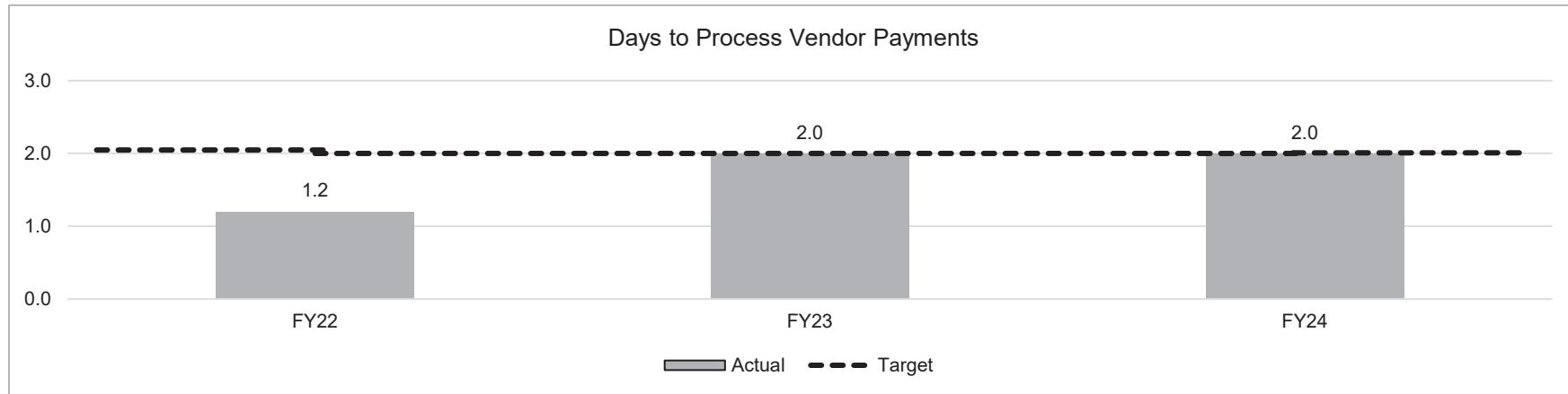
Department of Revenue

AB Section(s): 4.005, 4.025

Program Name - Administration Division

Program is found in the following core budget(s): Administration/Postage

2d. Provide a measure(s) of the program's efficiency (cont).



The Department programs its outgoing mail to take advantage of United State Postal Service postage discounts.

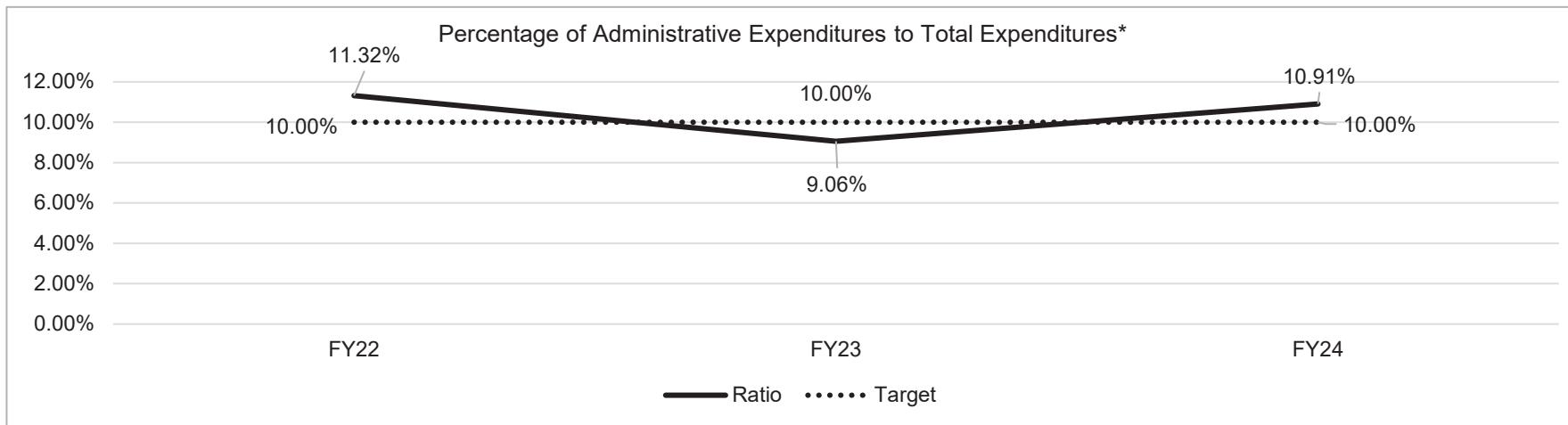
PROGRAM DESCRIPTION

Department of Revenue

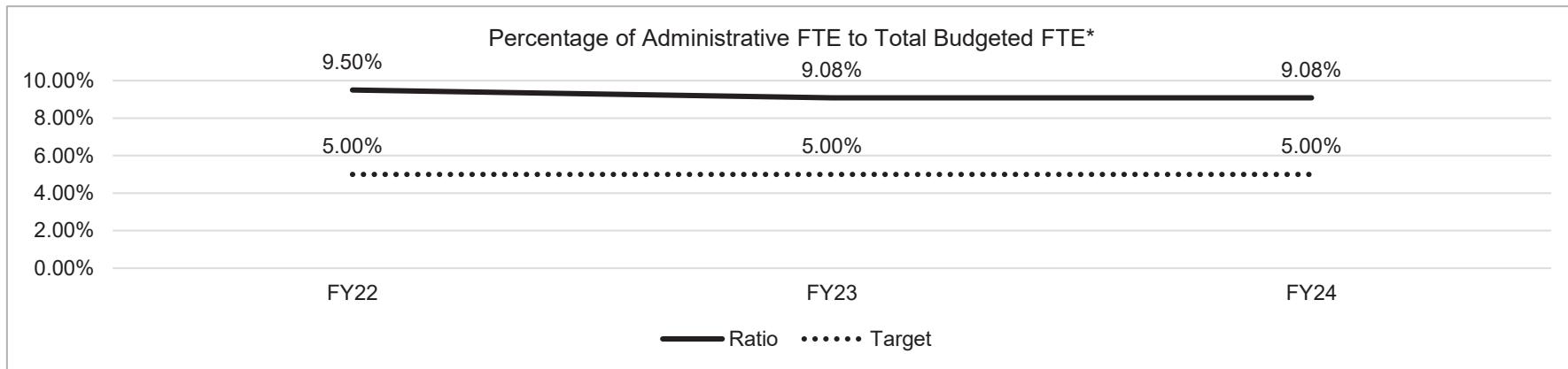
AB Section(s): 4.005, 4.025

Program Name - Administration Division

Program is found in the following core budget(s): Administration/Postage



*Note: Restated prior fiscal year numbers, due to miscalculation.



*Note: Restated prior fiscal year numbers, due to miscalculation.

PROGRAM DESCRIPTION

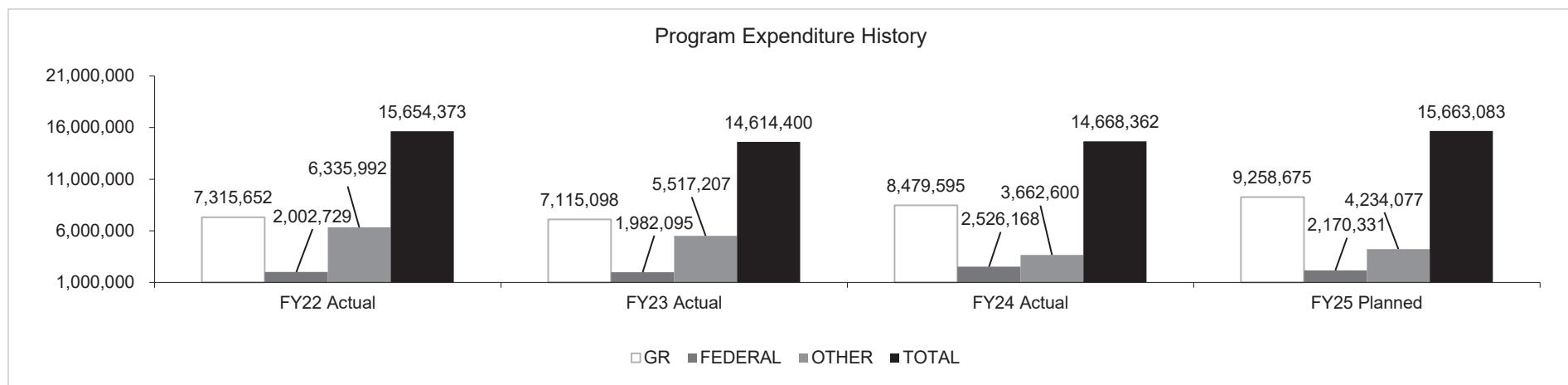
Department of Revenue

AB Section(s): 4.005, 4.025

Program Name - Administration Division

Program is found in the following core budget(s): Administration/Postage

3. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year. (Note: Amounts do not include fringe benefit costs.)



Includes Postage expenditures

4. What are the sources of the "Other" funds?

Child Support Enforcement Fund (0169); Health Initiatives Fund (0275); Conservation Commission Fund (0609); Motor Vehicle Commission Fund (0588)

5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Missouri Constitution, Article IV, Sections 12 and 22; Chapters 32, 136, 142, 143, 144, 147, 154, 301, 302, and 306, RSMo.

6. Are there federal matching requirements? If yes, please explain.

Costs to transact child support IV-D payments are paid 66 percent by federal funds and 34 percent by state funds. Sixty-six percent federal financial participation is available for Non-IV-D transactions costs when the case includes a support order initially issued in Missouri on or after January 1, 1994, and an income withholding is in place.

7. Is this a federally mandated program? If yes, please explain.

Federal requirements as specified in P.L. 93-647 and 45 CFR, Section 303.20

PROGRAM DESCRIPTION

Department of Revenue

AB Section(s): 4.005, 4.025

Program Name: Internal Audit and Compliance Bureau

Program is found in the following core budget(s): Administration/Postage

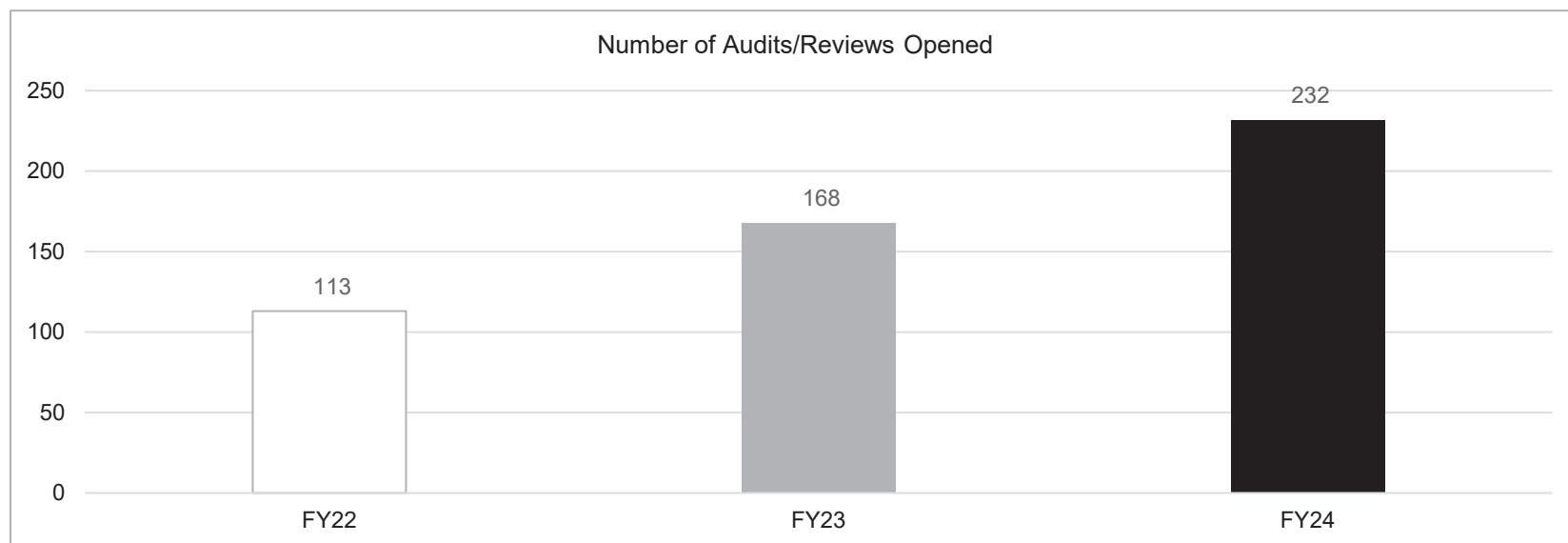
1a. What strategic priority does this program address?

Embed Transformational Purpose, Focus on Service Culture, Partnerships

1b. What does this program do?

The Internal Audit and Compliance Bureau (IACB) performs audits and reviews of the Department to evaluate the effectiveness of internal controls, ensure compliance with procedures and certain contractual and statutory provisions, and to identify areas of improvement in operational efficiency. The IACB audits and reviews includes internal audits of the Department, audits of contracted license offices, and tax credit reviews of tax credit programs administered by the Department of Economic Development.

2a. Provide an activity measure(s) for the program.



PROGRAM DESCRIPTION

Department of Revenue

AB Section(s): 4.005, 4.025

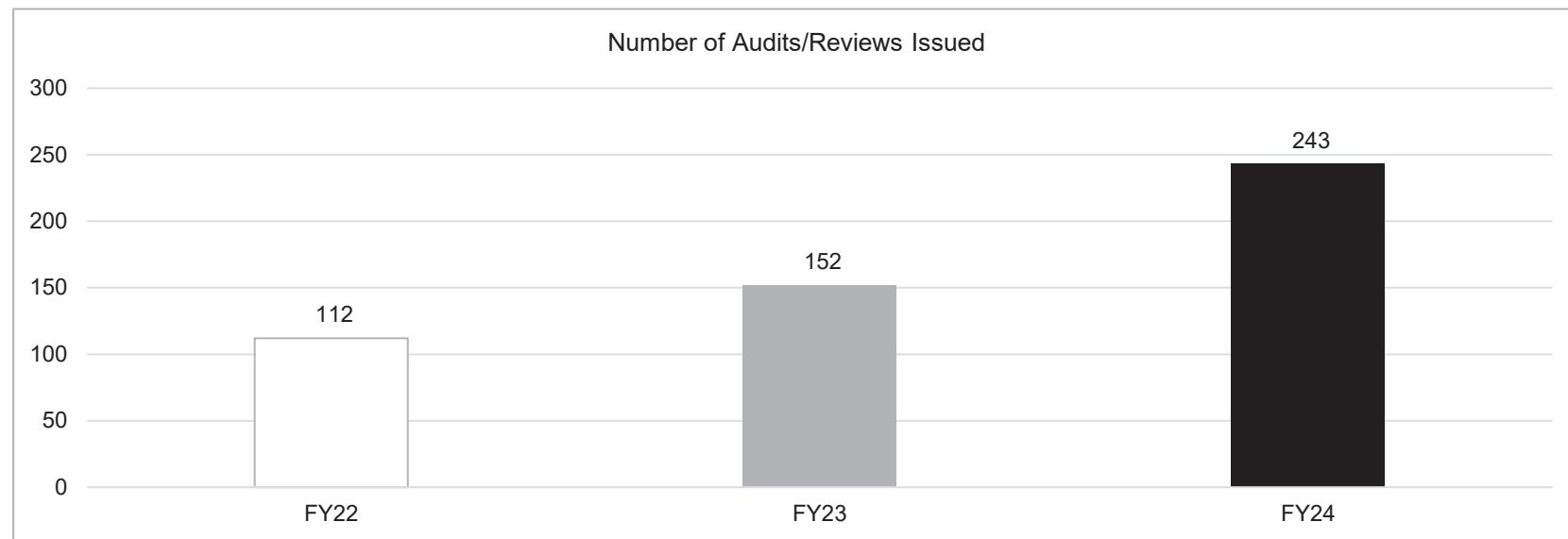
Program Name: Internal Audit and Compliance Bureau

Program is found in the following core budget(s): Administration/Postage

2b. Provide a measure(s) of the program's quality.

The Department uses the findings from the audits to better identify performance, operational efficiencies, and compliance enhancements.

2c. Provide a measure(s) of the program's impact.



PROGRAM DESCRIPTION

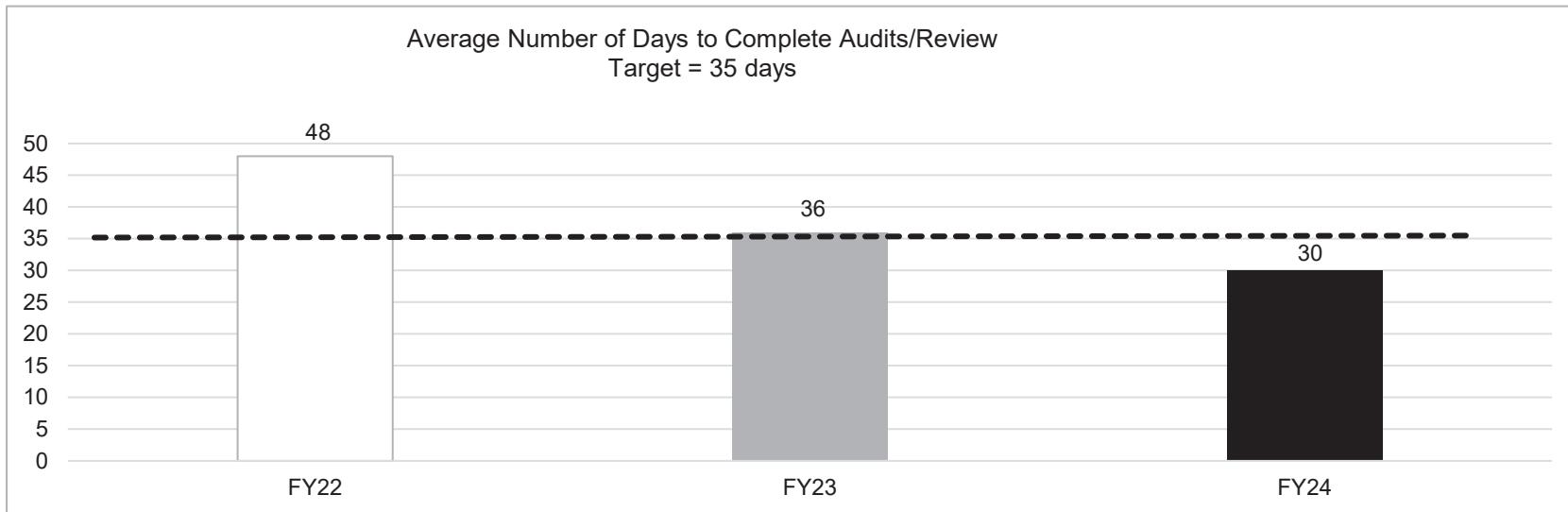
Department of Revenue

AB Section(s): 4.005, 4.025

Program Name: Internal Audit and Compliance Bureau

Program is found in the following core budget(s): Administration/Postage

2d. Provide a measure(s) of the program's efficiency.



PROGRAM DESCRIPTION

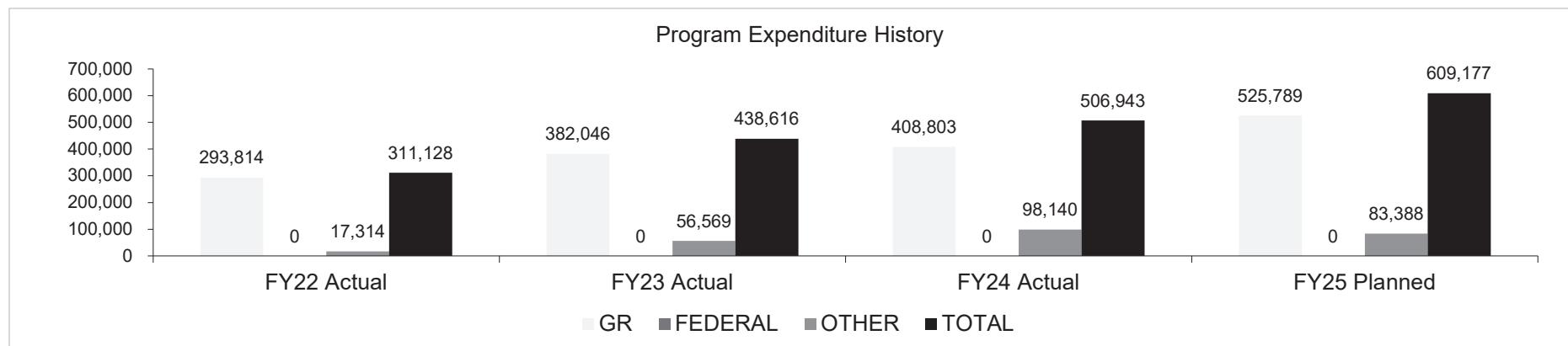
Department of Revenue

AB Section(s): 4.005, 4.025

Program Name: Internal Audit and Compliance Bureau

Program is found in the following core budget(s): Administration/Postage

3. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year. (Note: Amounts do not include fringe benefit costs.)



4. What are the sources of the "Other" funds?

Motor Vehicle Commission Fund (0588)

5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Missouri Constitution, Article IV, Sections 12 and 22, Chapters 32, 136, 142, 143, 144, 147, 154, 301, 302, and 306, RSMo.

6. Are there federal matching requirements? If yes, please explain.

No

7. Is this a federally mandated program? If yes, please explain.

No

Overview

State Tax Commission

The State Tax Commission is a quasi-judicial administrative agency created by the Missouri Constitution to perform six (6) basic functions. These functions are:

1. Equalize inter- and intra-county assessments,
2. Conduct *de novo* judicial hearings regarding valuation and classification appeals from local boards of equalization in individual assessment cases,
3. Formulate and implement statewide assessment policy and procedures to comport with statutory and constitutional mandates,
4. Supervise local assessing officials and local assessment programs to ensure compliance with statewide policy requirements,
5. Conduct ratio studies to determine the assessment level in each county and to measure the quality of the assessment program, and
6. Original assessment of the distributable property of railroads, airlines, pipelines, telecommunications, and public utilities

The State Tax Commission oversees an assessment system, which is responsible for the annual collection of \$10.23 billion in property tax revenues, which serves as the financial foundation for public schools, local governmental agencies, and local services such as ambulance districts, fire districts, libraries, and road and bridge.

The State Tax Commission envisions an ad valorem assessment landscape which ensures the equitable treatment of all property owners in the State of Missouri. This vision will be manifested through the State Tax Commission's emphasis on the guiding values of work ethic, discipline, integrity, efficiency, and impartiality in its performance of its duties and the fulfillment of its responsibilities to the citizens of Missouri.

State Auditor's Reports and Oversight Evaluations

Program or Division Name	Type of Report	Date Issued	Website Link
---------------------------------	-----------------------	--------------------	---------------------

Missouri Sunset Act Report

Program

Rolling Stock Tax Credit

Enacting Statutes

Section 137.1018, RSMo

Sunset Dates

August 28, 2028

Review Status

Reviewed by Oversight Division in 2019.

PROGRAM DESCRIPTION																
Department - Revenue/State Tax Commission	HB Section(s): 4.165															
Program Name - Legal																
Program is found in the following core budget(s): State Tax Commission																
1a. What strategic priority does this program address?																
Transparent, uniform, and equitable statewide assessment program.																
1b. What does this program do?																
<ul style="list-style-type: none"> Presides over property assessment appeals in 114 counties and the City of St. Louis Issues rulings on discovery and evidence disputes Conducts prehearing settlement conferences and evidentiary hearings Issues written decisions with findings of fact and conclusions of law 																
2a. Provide an activity measure(s) for the program.																
<p>Below is a graph that depicts the history of appeals filed and disposed during each assessment cycle (an assessment cycle begins January 1st of an odd year through December 31st of an even year - example 2023-2024 assessment cycle is January 1, 2023 - December 31, 2024).</p> <table border="1"> <caption>Appeals Filed and Disposition History</caption> <thead> <tr> <th>Assessment Cycle</th> <th>Filed</th> <th>Disposition</th> </tr> </thead> <tbody> <tr> <td>2017-2018</td> <td>16,288</td> <td>13,267</td> </tr> <tr> <td>2019-2020</td> <td>9,004</td> <td>16,569</td> </tr> <tr> <td>2021-2022</td> <td>14,288</td> <td>6,095</td> </tr> <tr> <td>2023-2024*</td> <td>17,108</td> <td>9,028</td> </tr> </tbody> </table>		Assessment Cycle	Filed	Disposition	2017-2018	16,288	13,267	2019-2020	9,004	16,569	2021-2022	14,288	6,095	2023-2024*	17,108	9,028
Assessment Cycle	Filed	Disposition														
2017-2018	16,288	13,267														
2019-2020	9,004	16,569														
2021-2022	14,288	6,095														
2023-2024*	17,108	9,028														
<p>* The 2023-2024 cycle will not be completed until December 31, 2024. The filing deadline for 2024 appeals is September 30, 2024, or 30 days after the date of the Board of Equalization decision being appealed, whichever is later.</p> <p>County assessment officials determine the value and classification of property for property tax purposes for their respective counties. All Missouri taxpayers, which includes individuals and business entities, who disagree with the assessment determination have the right to appeal those determinations to the State Tax Commission. The State Tax Commission employs hearing officers who conduct hearings to determine the proper assessment of a taxpayer's property. The hearing officers render written decisions that include findings of fact and conclusions of law; if a taxpayer disagrees with the decision, the taxpayer has the right to appeal that decision to the three State Tax Commissioners. The State Tax Commissioners render a decision. If the taxpayer disagrees with the decision, the taxpayer can appeal through the Missouri Judicial Court system.</p>																

PROGRAM DESCRIPTION

Department - Revenue/State Tax Commission

HB Section(s): 4.165

Program Name - Legal

Program is found in the following core budget(s): State Tax Commission

2b. Provide a measure(s) of the program's quality.

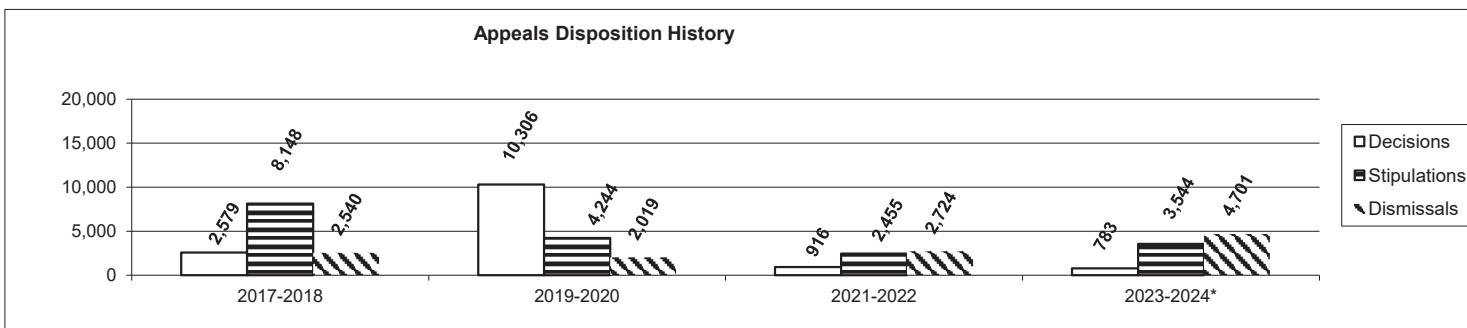
The Chief Counsel and the Hearing Officers are required to be licensed to practice law in the State of Missouri. Annually, 15 hours of continuing legal education, including 2 hours of ethics and 1 hour of cultural competency, diversity, inclusion, and implicit bias training is required. The Chief Counsel and the Hearing Officers also attend courses through The National Judicial College, the institution utilized by federal and state courts to train Article III judges and administrative law judges, and courses through the International Association of Assessing Officers (IAAO).

2c. Provide a measure(s) of the program's impact.

Appeals are disposed by decision, stipulation, or dismissal.

Types of Disposition

- Decision - Determination of assessment based on evidence from taxpayer and assessment official during an evidentiary hearing
- Stipulation - Agreement on assessment by the taxpayer and assessment official submitted for approval to this program
- Dismissal - Taxpayer abandoning their appeal



* The 2023-2024 cycle will not be completed until December 31, 2024.

2d. Provide a measure(s) of the program's efficiency.

The State Tax Commission strives to efficiently dispose of appeals for the taxpayers of the State of Missouri.

Assessment Cycle	2017-2018	2019-2020	2021-2022	2023-2024*
Appeals Disposed	13,267	16,569	6,095	9,028
Full-time Employees	4	5	5	5

* The 2023-2024 cycle will not be completed until December 31, 2024.

PROGRAM DESCRIPTION

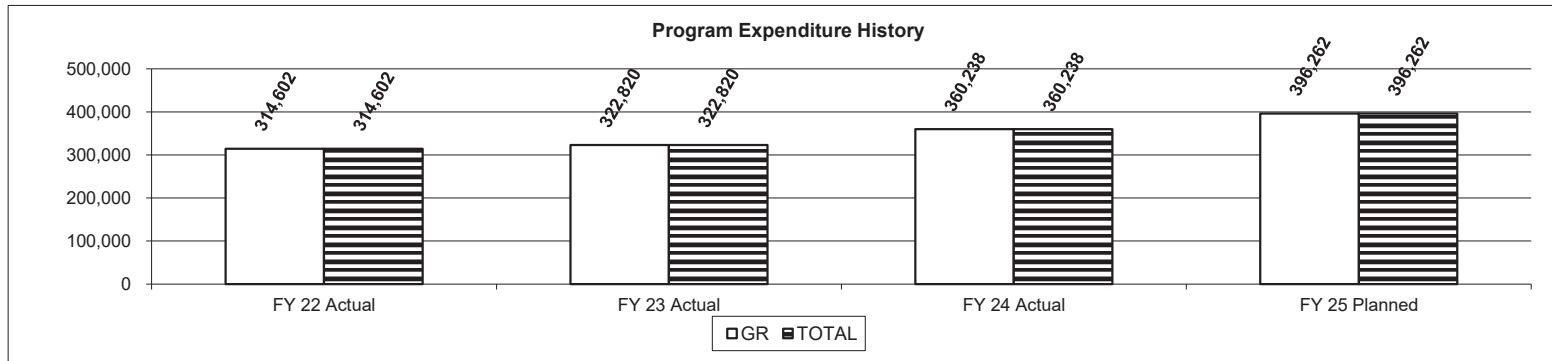
Department - Revenue/State Tax Commission

HB Section(s): 4.165

Program Name - Legal

Program is found in the following core budget(s): State Tax Commission

3. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year. (Note: Amounts do not include fringe benefit costs.)



4. What are the sources of the "Other " funds?

N/A

5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Article X, Section 14, of the Missouri Constitution, Chapters 138, 151, and 153 of RSMo

6. Are there federal matching requirements? If yes, please explain.

N/A

7. Is this a federally mandated program? If yes, please explain.

N/A

PROGRAM DESCRIPTION				
Department - Revenue/State Tax Commission	HB Section(s): <u>4.165</u>			
Program Name - Original Assessment				
Program is found in the following core budget(s): State Tax Commission				
1a. What strategic priority does this program address?				
Transparent, uniform, and equitable statewide assessment program.				
1b. What does this program do?				
The Original Assessment program has the duty of assessing distributable property held by public utilities, railroads, private car companies, airlines, and related entities.				
2a. Provide an activity measure(s) for the program.				
The Original Assessment program is statutorily obligated to complete appraisals for any public utility and railroad company that files for state assessment. This program must have all company appraisals completed within 150 days.				
	2021	2022	2023	2024
Electric	10	10	9	9
Fluid Pipeline	20	20	20	17
Natural Gas Pipeline	13	13	13	13
Railroad	17	16	15	15
Telecommunications (Fiber)	39	41	41	47
Telecommunications (ILEC)	43	43	43	43
Telecommunications (Cable)	2	2	2	2
Aircraft Owned by Airlines	53	54	53	54
Aircraft Owned by Others	176	174	192	193
Private Cars	334	339	374	374
Rural Electric Cooperatives	52	52	52	52
Total Company Appraisals	759	764	814	819

PROGRAM DESCRIPTION

Department - Revenue/State Tax Commission

HB Section(s): 4.165

Program Name - Original Assessment

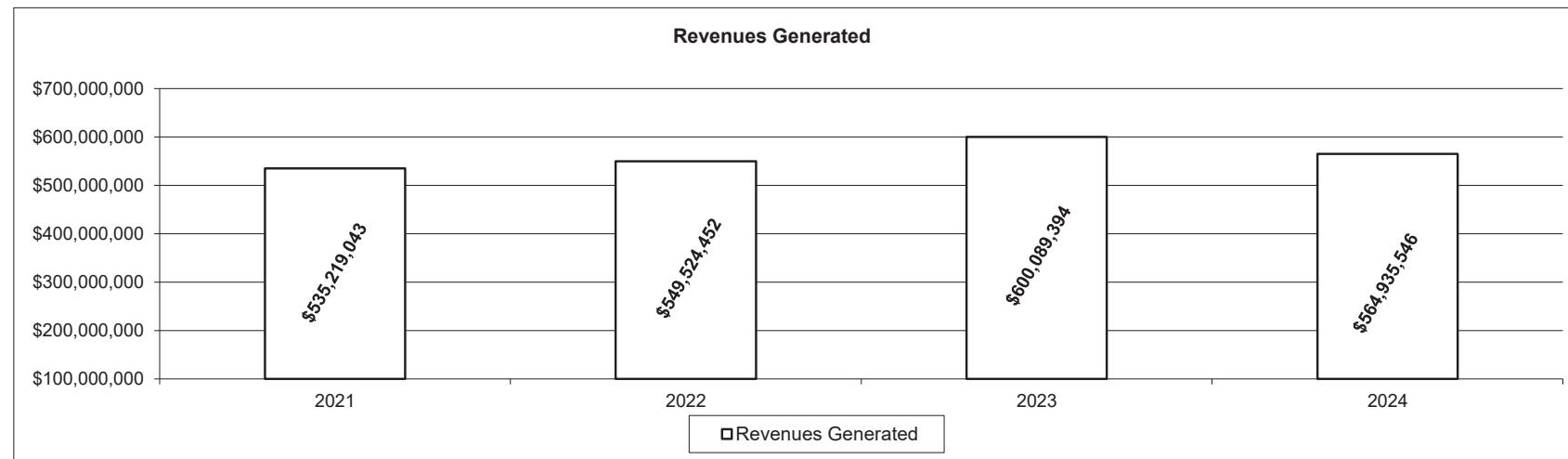
Program is found in the following core budget(s): State Tax Commission

2b. Provide a measure(s) of the program's quality.

- Appraisals have been standardized using the Unit Valuation Standards of the National Conference of Unit Valuation States (NCUVS). This program's policies and procedures supporting the standards used are maintained and audited for uniformity, ensuring compliance with state laws.
- The annual Cost of Capital Studies and Certifications are posted to the agency website. Additionally, company appraisal reports are provided to each company prior to the informal hearing process. This process allows for full transparency and fair practices for all taxpayers.
- Informal hearings are conducted for the exchange of information. Arriving at fair market value requires both parties having knowledge of relevant and material facts. This program's processes, including appeal procedures, result in equitable treatment of all taxpayers.

2c. Provide a measure(s) of the program's impact.

This program generates revenue for the local entities by appraising these companies to develop a company value, extracting the State of Missouri value to then be apportioned to each county for the collection of taxes for local entities. These entities (such as schools, ambulance, fire, and library districts) provide services to the citizens of Missouri.



PROGRAM DESCRIPTION

Department - Revenue/State Tax Commission

HB Section(s): 4.165

Program Name - Original Assessment

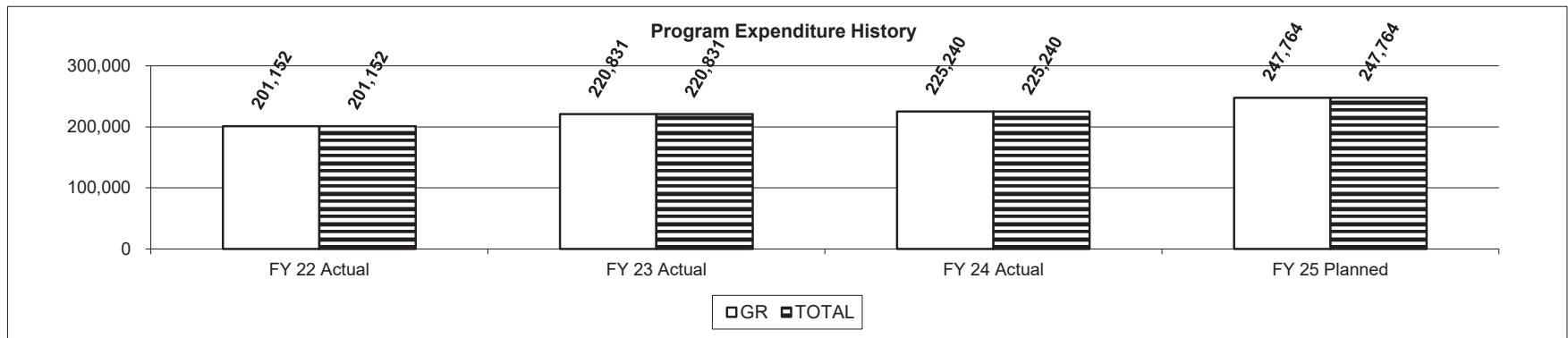
Program is found in the following core budget(s): State Tax Commission

2d. Provide a measure(s) of the program's efficiency.

This program employs three full-time employees and generates in excess of \$560 million for local districts (ambulance, fire, library, and schools).

	2021	2022	2023	2024
Number of Appraisals	759	764	814	819
Full-Time Employees	2.5	3	3	3
Caseload per Employee	304	255	271	273

3. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year. (Note: Amounts do not include fringe benefit costs.)



4. What are the sources of the "Other " funds?

N/A

5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Article X, Section 14, Constitution of Missouri; Chapters 137, 138, 151, 153, and 155, RSMo

6. Are there federal matching requirements? If yes, please explain.

N/A

7. Is this a federally mandated program? If yes, please explain.

N/A

PROGRAM DESCRIPTION

Department - Revenue/State Tax Commission

HB Section(s): 4.165 and 4.170

Program Name - Local Assistance and Assessment Maintenance

Program is found in the following core budget(s): State Tax Commission

1a. What strategic priority does this program address?

Transparent, uniform, and equitable statewide assessment program.

1b. What does this program do?

- Assist county assessors with technical aspects of operating a successful assessment program
- Assist county assessors with developing a two-year assessment plan that will conform to statutory parameters
- Conducts appraisals and studies to determine the level and quality of assessments established by each county assessor
- Reimburse up to 60% of all costs associated with implementing a two-year assessment plan (current appropriation allows for reimbursement of 50%)

2a. Provide an activity measure(s) for the program.

Studies performed each assessment cycle (an assessment cycle is from January 1st of an odd year through December 31st of an even year - example 2023-2024 assessment cycle is January 1, 2023 - December 31, 2024).

Assessment Cycle	2017-2018	2019-2020	2021-2022	2023-2024*
Commercial Appraisal Studies	51	38	38	17
Residential Appraisal Studies	0	0	0	0
Residential Sales Studies	115	114	115	34

* The 2023-2024 cycle is incomplete as studies are not finalized until May, 2025.

(For every residential appraisal study completed, there are 25 individual appraisals. In the 2021-2022 assessment cycle, all counties qualified for a residential sales study.)

(For every commercial appraisal study completed, there are 30 individual appraisals.)

PROGRAM DESCRIPTION

Department - Revenue/State Tax Commission

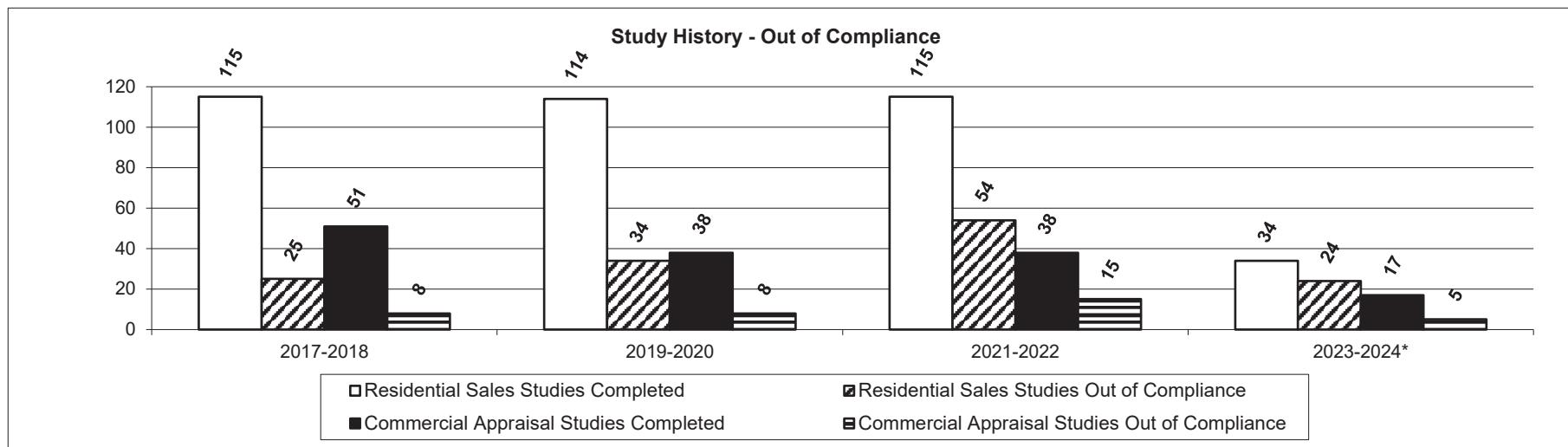
HB Section(s): 4.165 and 4.170

Program Name - Local Assistance and Assessment Maintenance

Program is found in the following core budget(s): State Tax Commission

2b. Provide a measure(s) of the program's quality.

The chart below depicts the out of compliance study analysis for each two-year assessment cycle (an assessment cycle is from January 1st of an odd year through December 31st of an even year - example 2023-2024 assessment cycle is January 1, 2023 - December 31, 2024).



* The 2023-2024 cycle is incomplete as appraisals and studies are not finalized until May, 2025.

PROGRAM DESCRIPTION

Department - Revenue/State Tax Commission

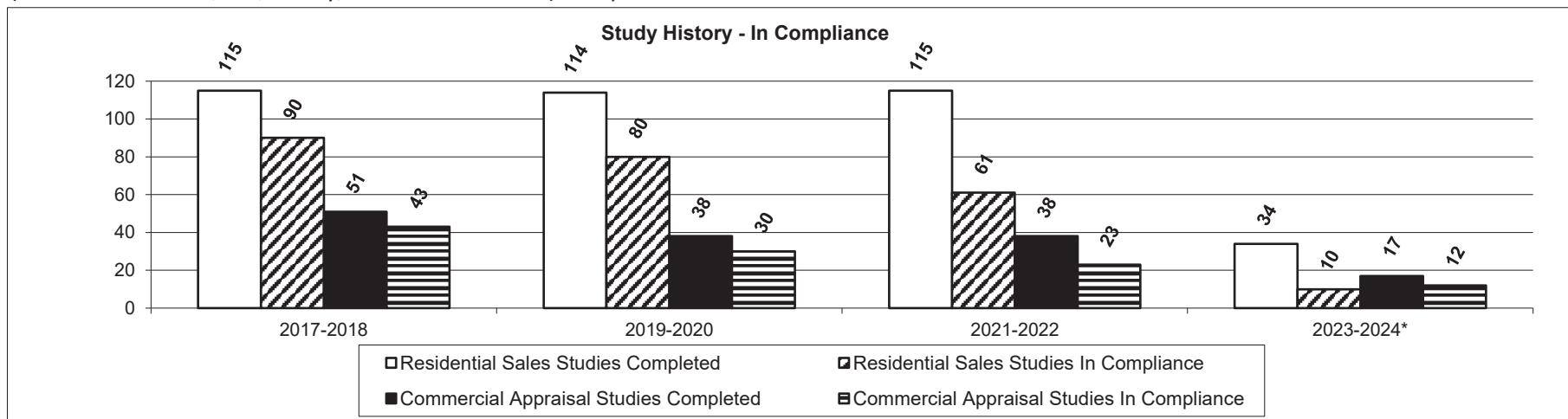
HB Section(s): 4.165 and 4.170

Program Name - Local Assistance and Assessment Maintenance

Program is found in the following core budget(s): State Tax Commission

2c. Provide a measure(s) of the program's impact.

This program strives to ensure that all taxpayers in the State of Missouri are assessed utilizing fair and equitable practices. Without the assistance and audits of this program, taxpayers wouldn't be treated fairly and equitably across Missouri and these inequities could impact the local taxing entities (such as ambulance, fire, library, and school districts) that provide essential services to the citizens of Missouri.



*The 2023-2024 cycle is incomplete as the appraisals and studies are not finalized until May, 2025.

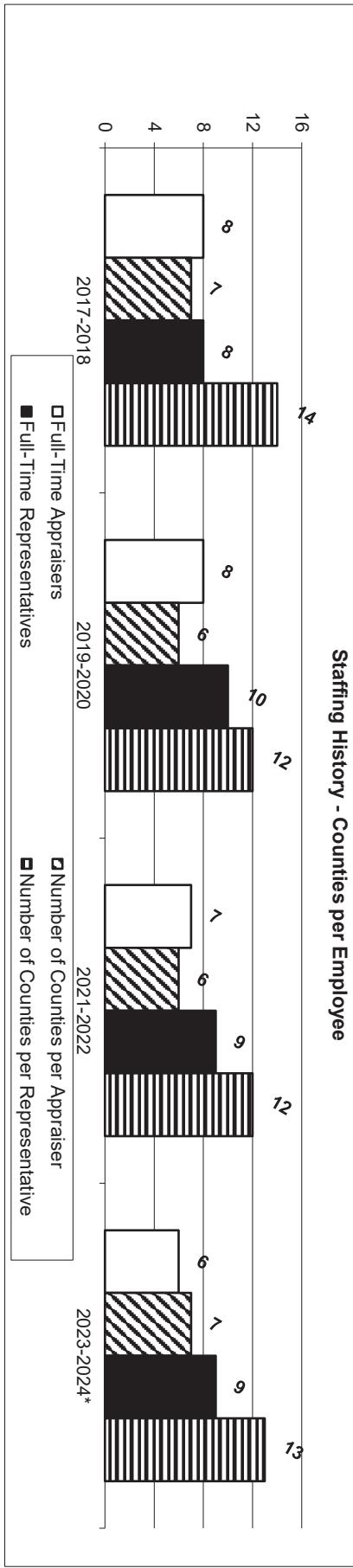
PROGRAM DESCRIPTION

HB Section(s): 4.165 and 4.170

Department - Revenue/State Tax Commission
Program Name - Local Assistance and Assessment Maintenance
Program is found in the following core budget(s): State Tax Commission

2d. Provide a measure(s) of the program's efficiency.

Each employee covers a territory within the State of Missouri to ensure all regions are assisted and studied.



* The 2023-2024 cycle is incomplete as studies are not finalized until May, 2025.

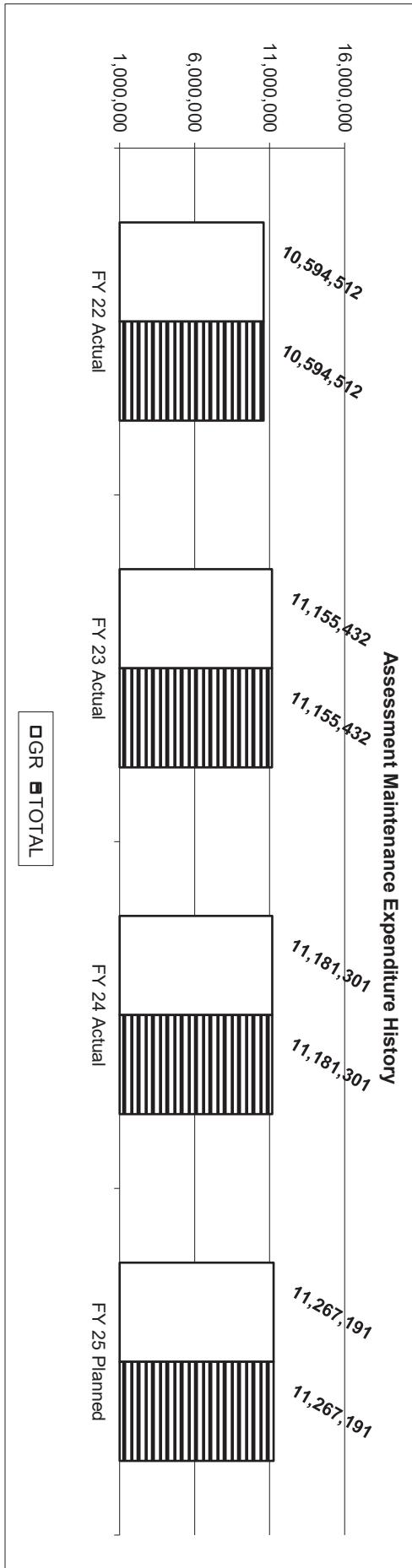
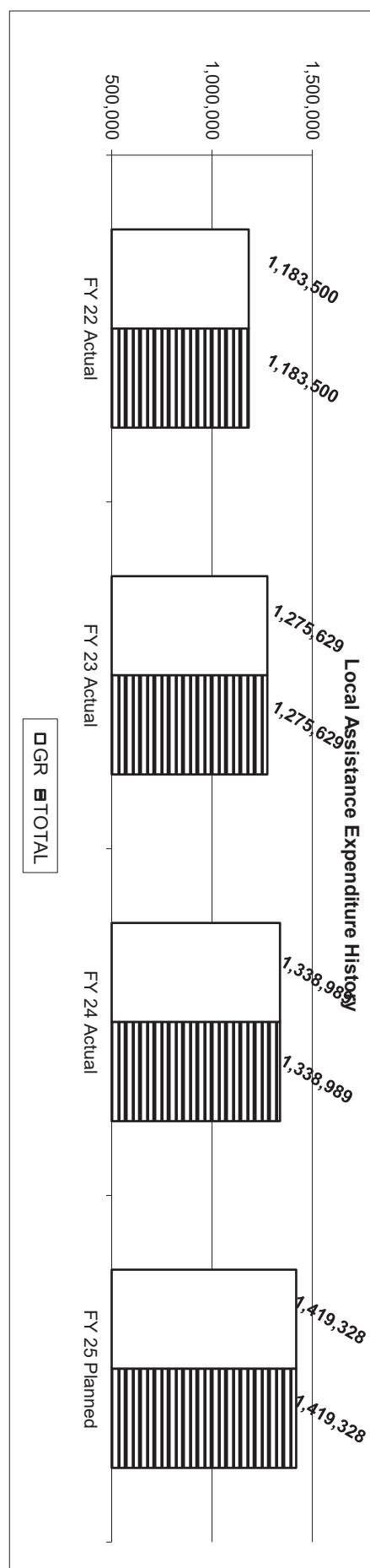
PROGRAM DESCRIPTION

Department - Revenue/State Tax Commission

Program Name - Local Assistance and Assessment Maintenance

Program is found in the following core budget(s): State Tax Commission

3. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year. (Note: Amounts do not include fringe benefit costs.)



PROGRAM DESCRIPTION

Department - Revenue/State Tax Commission

HB Section(s): 4.165 and 4.170

Program Name - Local Assistance and Assessment Maintenance

Program is found in the following core budget(s): State Tax Commission

4. What are the sources of the "Other " funds?

N/A

5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Section X, Article 14, Constitution of Missouri, Chapters 53, 137, and 138 RSMo

6. Are there federal matching requirements? If yes, please explain.

N/A

7. Is this a federally mandated program? If yes, please explain.

N/A

Overview

Missouri State Lottery

The Missouri Lottery is a revenue source for Missouri public education.

The Lottery's mission is to help fund educational opportunities for Missouri students, support Missouri businesses, and entertain millions.

The core functions of the Lottery are to:

- Recruit and license Lottery retailers
- Create, market, and distribute Lottery products
- Collect revenues from Lottery retailers
- Pay Lottery prizes and retailer commissions
- Ensure the security and integrity of Lottery operations and games, and
- Transfer profits to the Lottery Proceeds Fund

FY 24 ticket sales exceeded \$1.7 billion and were just slightly behind FY 21 record sales of \$1.8 billion. The amount of profit transferred to the Lottery Proceeds Fund for education was \$390 million, the third highest in Lottery history.

Over the past 39 years, the Lottery has sold \$32.6 billion in product and transferred profits of \$8.3 billion to the state and public education.

The Missouri Lottery is diligent in being responsible stewards of the Lottery's money. During our 39-year history, the Lottery's operating percentage (administrative costs plus ticket costs as a percentage of sales) has decreased from 14 percent to 3 percent – one of the lowest in the country. The Lottery continues to build on its past history of developing and implementing cost-saving initiatives that will ensure the Lottery continues to improve the level of productivity and efficiency into the future. In addition, the Lottery is committed to responsible gaming practices and the integrity of all our games and products.

Program or Division Name	Type of Report	Date Issued	Website
State Lottery Commission - Two Years Ended 6/30/2022	Audit Report	Nov-23	https://auditor.mo.gov/AuditReport/ViewReport?report=2023079
State Lottery Commission - Two Years Ended 6/30/2020	Audit Report	Dec-20	Missouri State Lottery Commission (mo.gov)
State Lottery Commission - Two Years Ended 6/30/2018	Audit Report	Aug-19	http://app.auditor.mo.gov/Repository/Press/2019065798734.pdf
State Lottery Commission - Two Years Ended 6/30/2016	Audit Report	Jul-17	http://app.auditor.mo.gov/Repository/Press/2017060551494.pdf
State Lottery Commission - Three Years Ended 6/30/2014	Audit Report	Dec-15	http://app.auditor.mo.gov/Repository/Press/2015119999204.pdf

PROGRAM DESCRIPTION

Department	REVENUE	HB Section(s): <u>4.180-4.195</u>
Program Name	MISSOURI LOTTERY COMMISSION	
Program is found in the following core budget(s):	LOTTERY - OPERATING - OTHER FUNDS	

1a. What strategic priority does this program address?

Helps fund public education.

1b. What does this program do?

The core functions of the Lottery are: a) recruit and license Lottery retailers; b) create, market and distribute Lottery products; c) collect revenues from retailers; d) pay Lottery prizes and retailer commissions; e) ensure the security and integrity of Lottery operations and games and f) transfer profits to the Lottery Proceeds Fund for appropriation.

The Missouri Lottery Commission is a revenue source for Missouri public education. Lottery operating appropriations allow the Commission to expend resources they earn through the sale of tickets to support the development, implementation, sales, delivery and administration of a full array of lottery games, for the expressed purpose of generating profits that may be appropriated by the legislature for Missouri public education.

Expenditures are from funds generated by the sale of tickets and not from the General Revenue Fund.

2a. Provide an activity measure(s) for the program.

- 1) Lottery Retailers - 4,700 Lottery Retailers across the state received \$102.1 million in retailer commissions and incentives in FY 2024 (unaudited).
- 2) Lottery Players - \$1.2 billion paid to players in prizes in FY 2024 (unaudited).
- 3) Minority and Women-owned Businesses - \$18.1 million and \$5.1 million to minority and women-owned businesses, respectively, in FY 2024, for participation rates of 11.60% and 3.30% respectively.

2b. Provide a measure(s) of the program's quality.

- 1) Player Satisfaction - Ticket sales reflect player satisfaction. FY 2024 sales were \$1.7 billion (unaudited), just slightly behind FY 21 record sales of \$1.8 billion.
- 2) Retailer Satisfaction - 2024 retailer satisfaction survey showed an overall satisfaction with the Lottery of 4.42 out of 5, up from 4.27 in 2023.
- 3) Responsible Gaming - Missouri Lottery has achieved Level 4 certification through the World Lottery Association's responsible gaming framework, the highest certification status. Only 9 US lotteries have achieved Level 4 status. Missouri Lottery also offers a self-exclusion program for players who classify themselves as problem gamblers.

PROGRAM DESCRIPTION

Department REVENUE

HB Section(s): 4.180-4.195

Program Name MISSOURI LOTTERY COMMISSION

Program is found in the following core budget(s): LOTTERY - OPERATING - OTHER FUNDS

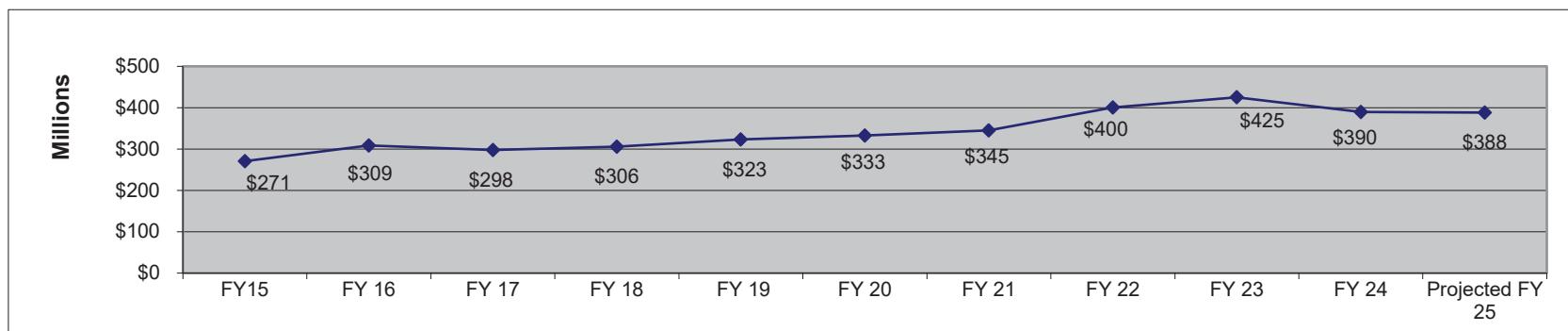
4) Statutory audits - Missouri Lottery is audited by the State Auditor's Office (SAO) every two years and annually by an independent certified public accounting (CPA) firm, consistently receiving "Good" or better ratings from the SAO and unmodified opinions from the independent CPA firm.

5) Excellence in Reporting - Missouri Lottery has received the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting for its Annual Comprehensive Financial Report for each of the last 24 years. In order to be awarded a Certificate of Achievement, a government entity must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. Annual Comprehensive Financial Reports can be found on our website.

6) Security and Risk Management - Missouri Lottery is the first U.S. lottery to achieve the World Lottery Association's Level 2 certification for security and risk management. The Level 2 certification is based on the effective management of security and integrity, using four key components: ISO/IEC 27001 international standards for information security; lottery-specific security processes and controls; requirements for products offered by the lottery; and controls required for offering games run by the Multi-State Lottery Association (MUSL). The Lottery's information system has also been certified by MSECB, an accredited Management Systems Certification Body.

2c. Provide a measure(s) of the program's impact.

1.) Annual Transfers to Education



*Projected FY 25 is calculated as the previous five years' average plus 1% in order to neutralize/counterbalance fluctuations from jackpots and product mix in any one year.

PROGRAM DESCRIPTION

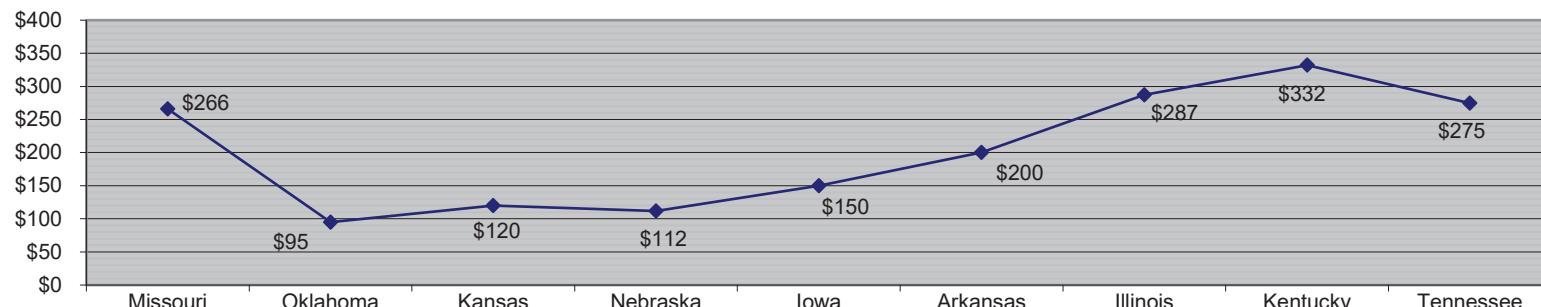
Department **REVENUE**

HB Section(s): 4.180-4.195

Program Name **MISSOURI LOTTERY COMMISSION**

Program is found in the following core budget(s): **LOTTERY - OPERATING - OTHER FUNDS**

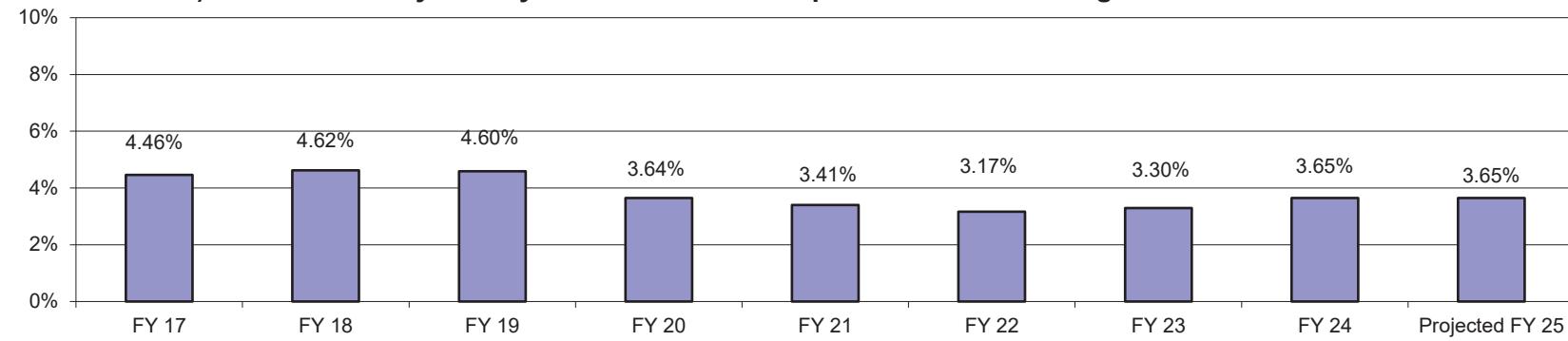
2.) FY 2023 Per Capita Lottery Sales of Contiguous States (Unaudited)



3.) State Tax Withholdings and Debt Offsets on Lottery Winnings - In FY 2024, the Lottery remitted \$5.0 million in state tax withholdings to Missouri Department of Revenue and \$1.0 million in debt offsets to various state agencies from Lottery prize winnings.

2d. Provide a measure(s) of the program's efficiency.

1.) Missouri Lottery History of Administrative Expenses as a Percentage of Sales**



**Administrative expenses include ticket costs and related vendor fees, wages and benefits, depreciation, advertising and other general and administrative costs.

PROGRAM DESCRIPTION

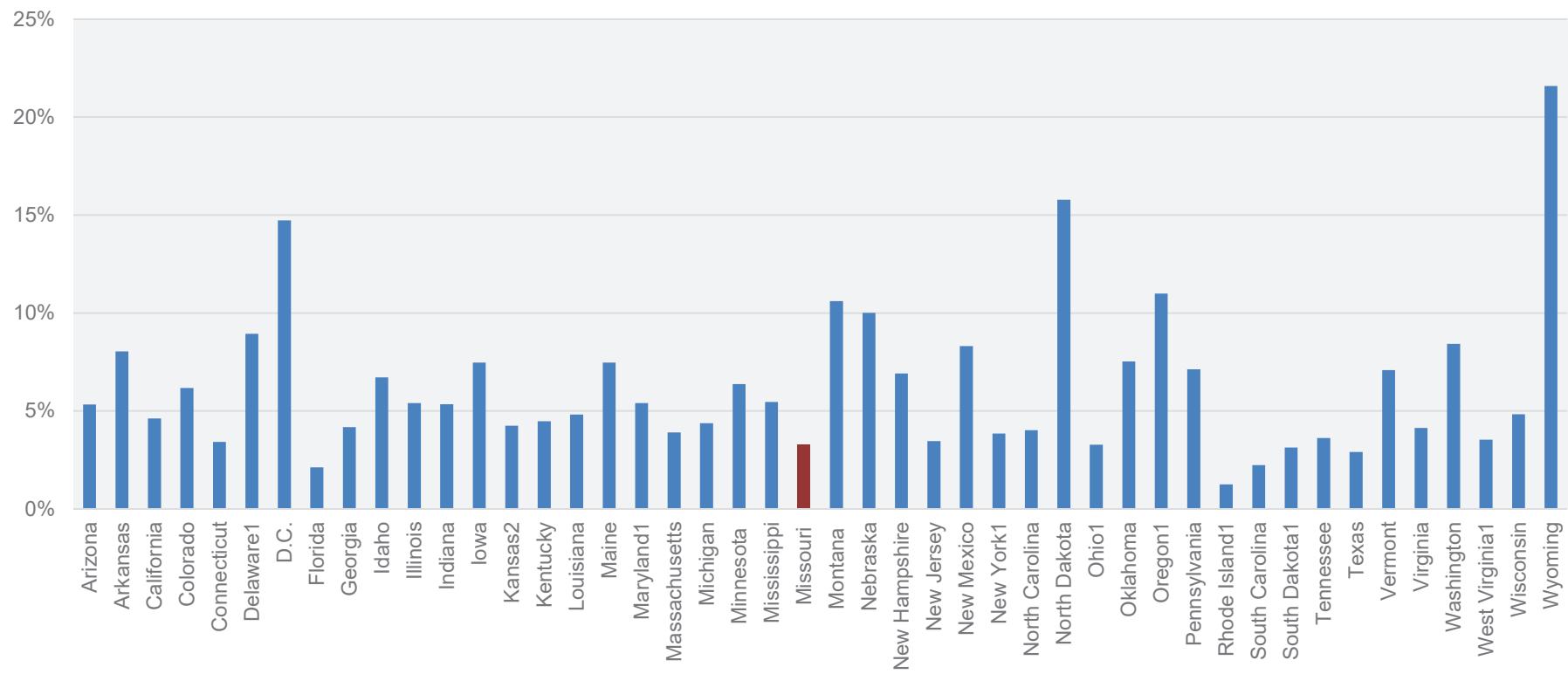
Department REVENUE

HB Section(s): 4.180-4.195

Program Name MISSOURI LOTTERY COMMISSION

Program is found in the following core budget(s): LOTTERY - OPERATING - OTHER FUNDS

1a.) Lottery Industry FY23 Administrative Expense as a Percentage of Sales



In FY 23, Missouri Lottery's administrative expenses were 3.30% of sales compared to the FY 23 U.S. Lottery industry average of 6.11%.

Source: *La Fleur's 2024 World Lottery Almanac* © 2024 TLF Publications, Inc. All rights reserved.

PROGRAM DESCRIPTION

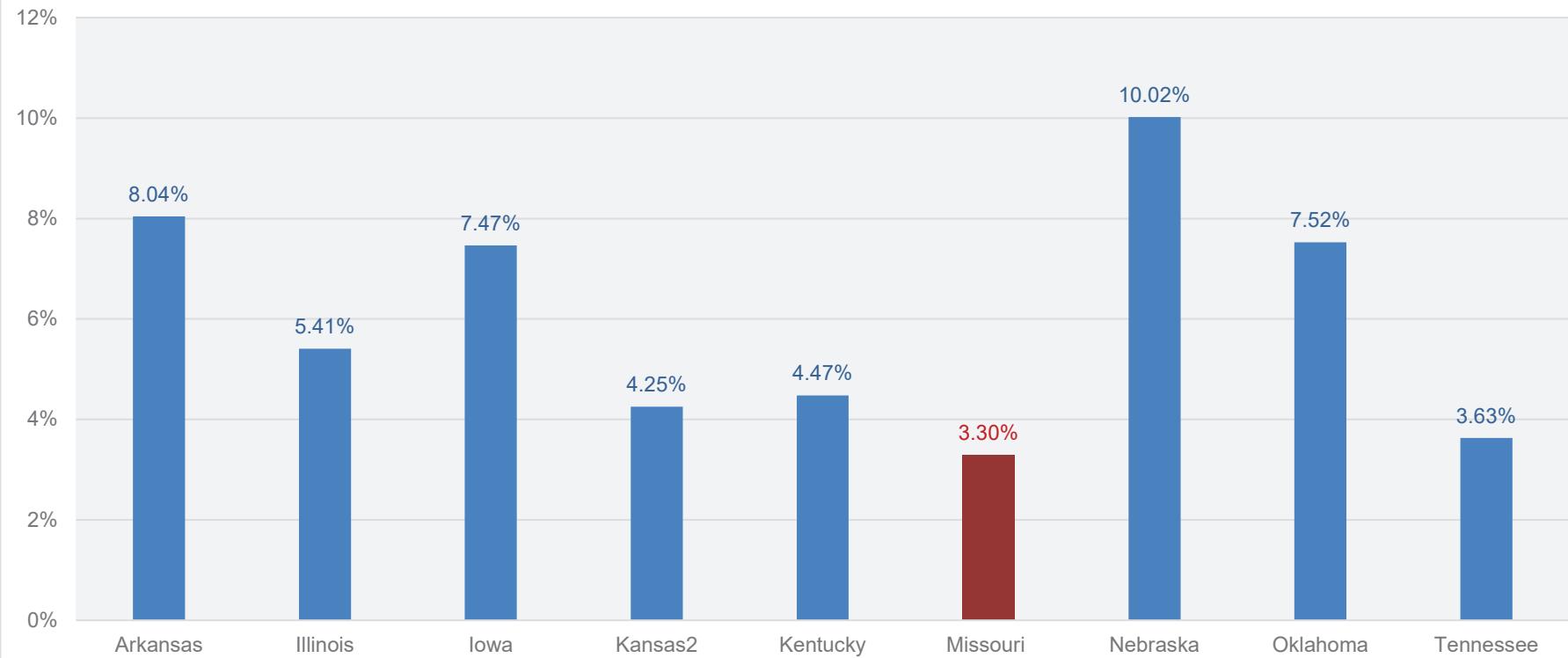
Department **REVENUE**

HB Section(s): 4.180-4.195

Program Name **MISSOURI LOTTERY COMMISSION**

Program is found in the following core budget(s): **LOTTERY - OPERATING - OTHER FUNDS**

1b.) Contiguous States FY23 Administrative Expense as a Percentage of Sales



In FY 23, Missouri Lottery's administrative expenses were 3.30% of sales compared to the contiguous state lotteries' average of 6.01%.

Source: *La Fleur's 2024 World Lottery Almanac* © 2024 TLF Publications, Inc. All rights reserved.

PROGRAM DESCRIPTION

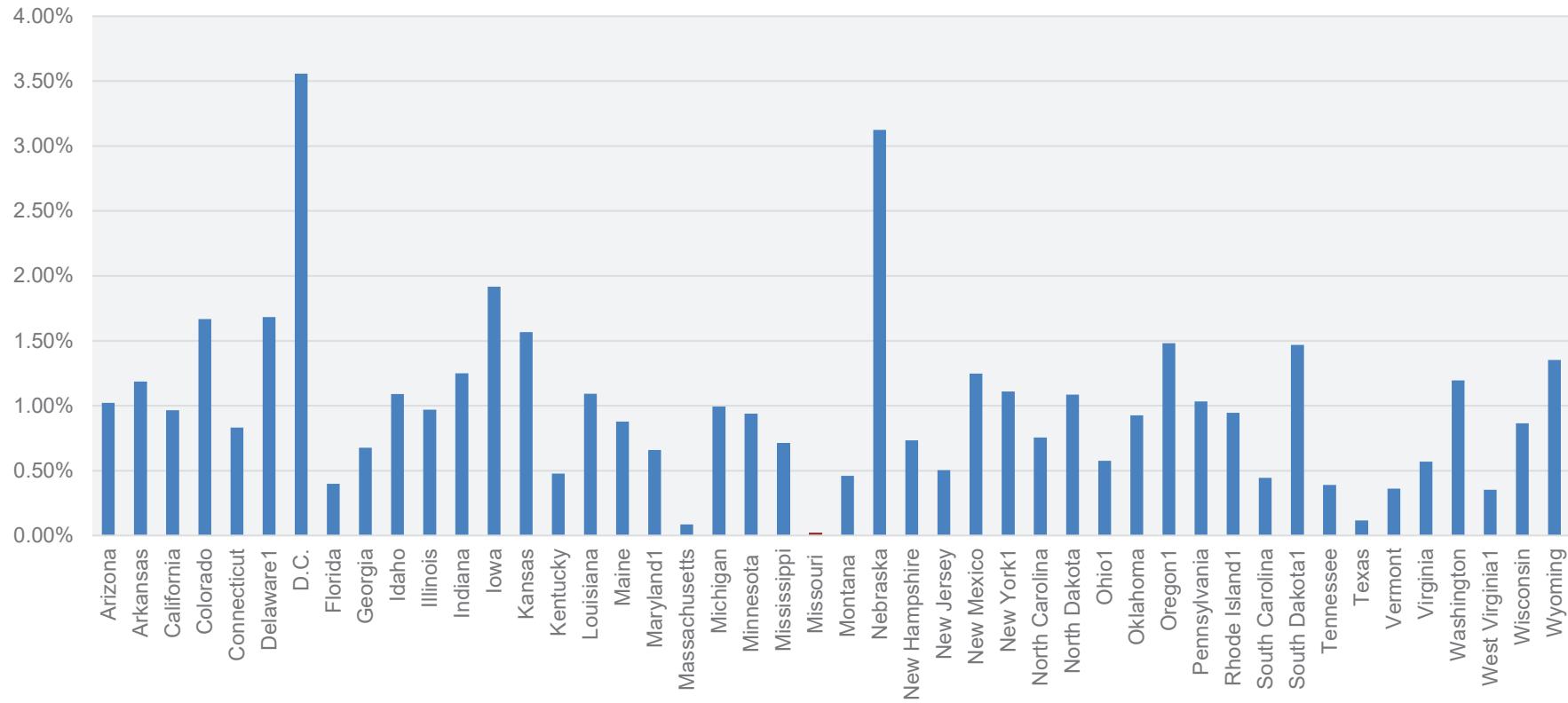
Department REVENUE

HB Section(s): 4.180-4.195

Program Name MISSOURI LOTTERY COMMISSION

Program is found in the following core budget(s): LOTTERY - OPERATING - OTHER FUNDS

2.) Lottery Industry FY23 Advertising Budget as a Percentage of Sales



In FY 23, Missouri Lottery's advertising budget was .02% of sales compared to the FY 23 U.S. Lottery industry average of .99%.

Source: *La Fleur's 2024 World Lottery Almanac* © 2024 TLF Publications, Inc. All rights reserved.

PROGRAM DESCRIPTION

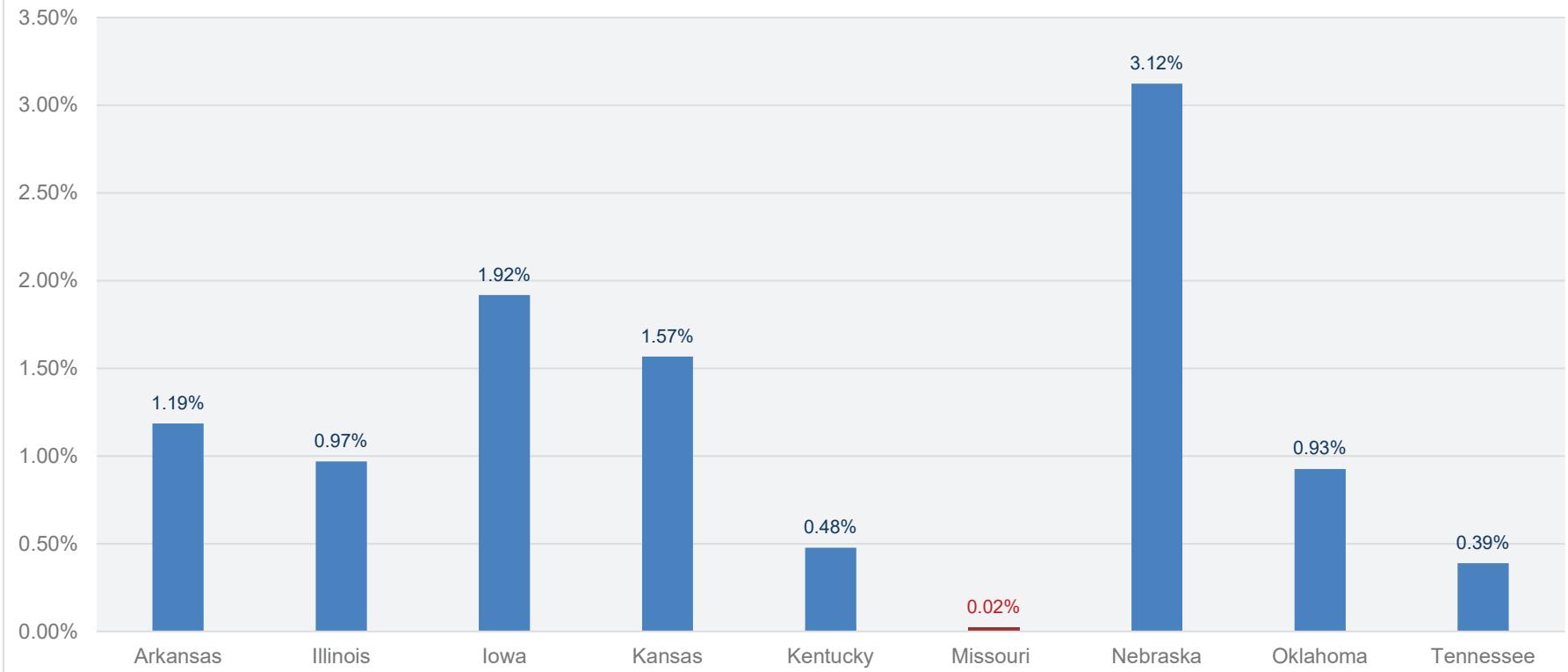
Department **REVENUE**

HB Section(s): 4.180-4.195

Program Name **MISSOURI LOTTERY COMMISSION**

Program is found in the following core budget(s): **LOTTERY - OPERATING - OTHER FUNDS**

2a.) Contiguous States FY23 Advertising Budget as a Percentage of Sales



In FY 23 Missouri Lottery's advertising budget was .02% of sales compared to contiguous state lotteries' average of 1.18%.

Source: *La Fleur's 2024 World Lottery Almanac* ©2024 TLF Publications, Inc. All rights reserved.

PROGRAM DESCRIPTION

Department REVENUE

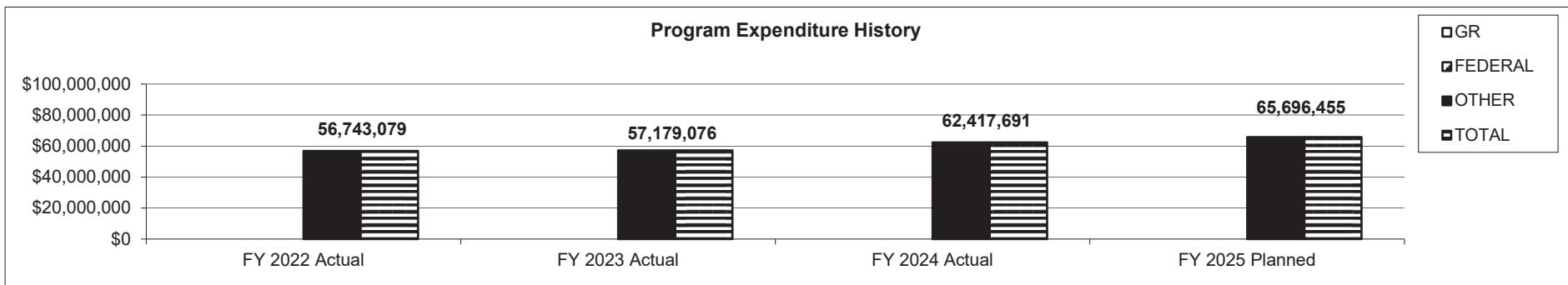
HB Section(s): 4.180-4.195

Program Name MISSOURI LOTTERY COMMISSION

Program is found in the following core budget(s): LOTTERY - OPERATING - OTHER FUNDS

3. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.

(Note: Amounts do not include fringe benefit costs, capital improvements, leasing, state-owned building, or Attorney General PS, all of which are included in other agency budgets.)



Program Expenditures include Lottery operating budget expenditures only: PS, E&E, Advertising, Responsible Gaming Messaging and Vendor Payments.

4. What are the sources of the "Other" funds?

Proceeds from the sale of tickets.

5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statutes: RSMo 313.200-313.351; Article III, Section 39(b) of the Missouri State Constitution.

6. Are there federal matching requirements? If yes, please explain.

No

7. Is this a federally mandated program? If yes, please explain.

No